

Province Money

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# SALMON CATCH AT LOW EBB

Fewer fish, tougher rivals squeeze B.C.'s take: DFO

**Salmon fleet net income**

ACTUAL FORECAST

1992 1993 1994 1995

Source: Department of Fisheries and Oceans

By the Province of British Columbia

For further details or a full copy of this article, contact the Province of British Columbia, Information Services, 1000 Burrard Street, Vancouver, B.C. V6Z 2Y9. Telephone: (604) 675-4000.

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MONEY PROVINCE

April 26, 1995

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# Lam wears new hat

## Former Lt.-Gov. in Chinese venture

By Ashley Ford  
Staff Reporter

It likely won't be long before former B.C. lieutenant-governor David Lam returns to one of his loves, the world of international business.

Lam will be invited to serve as honorary chairman, and become a shareholder, in Fairchild Investments Inc., a new public company formed by widely known Vancouver businessman Thomas Fung and China's largest private enterprise company, Stone Group Corp.

The company will initially trade on the Vancouver Stock Exchange, but Fairchild is eyeing bigger pastures on the Toronto Stock Exchange and NASDAQ in the U.S.

Although it's Fung's first venture into the public arena in Canada, he says the move is definitely not "a venture capital play. We will be making a private placement to raise \$8 million and there will be no public offering. We expect shares will start trading at the end of June," said Fung.

He said Lam will be invited to play an active role in the company. Fung told The Province yesterday



to play active role



forge closer business ties

that Fairchild has good reasons for teaming up with Stone officials. For example, they have an excellent track record, they are not starting up their business, they are not political and, unlike most Chinese

joint ventures, Stone will also ante up \$8 million. The funds will go to plant expansion in China. He said that Stone is listed on the Hong Kong Stock Exchange and operates in a western style.

Fairchild's interest will only be in Stone's pharmaceutical business. It is one of the largest producers of organic vitamin C in China and the bulk of its exports flow into Europe and the U.S. It also has computer software, communications and building materials divisions and 58 offices throughout China.

"There is a need for additional capacity and Stone also wanted to come to North America in a business sense," he said.

Fung and Lam also have long-time family and business ties with China. Fung has been a major developer in Vancouver, with Parker Place and Aberdeen Centre as two of his more prominent projects. He is also involved in the electronic media through his radio station CJVB AM 1470, Fairchild TV and Talentvision.

He said Fairchild Holdings, his personal company, will not move away from its Vancouver base. "In fact, it is the desire of both Mr. Lam and myself to increase Chinese investment in Canada and Canadian investment in China. This is very much a two-way street," Fung said.

# CSB interest rate falls; central bank stays on course

By Tony Wanless  
Staff Reporter

With the dollar stabilizing, everybody was expecting an interest rate cut yesterday. They got one — but not the one they hoped for.

Despite people's expectations, the Bank of Canada lowered only marginally the rate it charges for frequent loans to chartered banks.

The central bank's key rate fell to 8.17 per cent from 8.18 per cent despite continuing strength by the Canadian dollar, which rose both Monday and yesterday.

Major banks held their prime

the CSBs were paying from January to April.

The bonds were offered last fall at 5.75 for the first year.

As usual, the government said the rate changes are aimed at maintaining the competitiveness of Canada Savings Bonds relative to other savings instruments.

CSB rates were increased in January because instability in the world's currency markets weakened the Canadian dollar and sent Canadian interest rates up.

But the Canadian currency has shown considerable strength in recent weeks and interest rates were expected to fall. It closed yes-

# MB POSTS TOWERING PROFIT

Staff Reporter

Strong markets and a weak Canadian dollar have sent MacMillan Bloedel quarterly earnings soaring — despite a strike by workers at an MB plant in Port Alberni.

MB yesterday reported net earnings of \$65.3 million, or 49 cents a share, in the first quarter of 1995,

compared with \$13.9 million, or 11 cents a share, for the same period last year. Operating earnings were \$116.2 million, a \$48.4-million increase over the previous year.

■ Crestbrook Forest Products also reported increased first-quarter earnings of \$4.2 million or 27 cents a share, compared to \$2.8 million or 24 cents a share last year.

# On the Money with Gordon Pape

PAPE'S TIP: "Reinvest your tax refund instead of spending it."

## The 20% retirement bonus

You can increase your retirement savings by 20% or more without it costing you a penny. Muster your self-discipline and reinvest the tax refund generated by your RRSP. The result will be a better standard of living when you retire.



**TIP**  
The final value of your non-RRSP investments may be higher if you invest the refund in securities that pay dividends or capital gains. That's because they're taxed at a lower rate than interest income.

- WHAT TO DO**
- Make an annual RRSP contribution.
  - Calculate how much of a tax reduction the contribution will produce.
  - Invest that amount outside your RRSP (assuming you've made your maximum allowable contribution).

What else to do with tax refunds