



ARTS & SOCIETY



What Hong Kong tycoon Li Ka-shing hopes to add to Vancouver under his ambitious multi-billion-dollar building project.

CULTURE

Canada's Hong Kong

Vancouver is being revitalised by Chinese immigrants

By Philippe Le Corre

It's Saturday afternoon and the streets are filled with bustling Chinese residents. Hundreds shop in their favourite commercial arcade or dine in superb Cantonese restaurants while others sit behind the wheels of their brand-new Mercedes-Benzes — status symbols to the world — talking into cellular phones as they drive. A cinema is showing the latest *kung fu* movie starring Jackie Chan.

It's a typical weekend scene for Hong Kong, save for one fairly important element: this isn't Hong Kong. It's a suburb of Vancouver, thousands of miles away in British Columbia, Canada.

There, across the Pacific, a quiet revolution is under way. With both uncertainty over Hong Kong's future after 1997 and, to a lesser extent, concern about recent gains by Taiwan's pro-independence movement on the rise, continuous waves of Chinese immigrants have flooded into Vancouver, dramatically reshaping the city's social and financial fabric. So popular has the "Asian capital" of North America become that some people now call it "Hongcouver."

To be sure, the Asian influx to Canada has all the makings of a double-edged sword. With an unemployment rate of 11.3% last year and a lack of competitiveness among local companies, Canada is facing a serious economic crisis. A flood of immigrants from Asia hardly seems the ideal answer — socially or economically.

But in Vancouver, the potential for danger has instead turned into the first rushes of optimism, with the 350,000 Chinese who now comprise a quarter of the city's population at least partly responsible. In 1993, a record 31,288 immigrant visas were issued by the Canadian Commission in Hong Kong. Although Toronto is seen as a dynamic business centre, many Chinese prefer Vancouver, located on the Pacific coast, only 12 hours by plane from Asia. The relatively warm weather in Canada's third-largest city also compares favourably with other major cities in the country.

"There is an open and multicultural society" in Vancouver, says David Lee, vice-president and manager of the Chinatown branch of the Hongkong Bank of Canada. "You can live in a nice environment, do business, and somebody like David Lam

can be the lieutenant-governor." Lam, a former Hong Kong resident, has been the representative of Queen Elizabeth II in British Columbia for the past five years. In addition, Vancouver has three elected Chinese city councillors, while a Chinese member of parliament was recently appointed a secretary-of-state in Prime Minister Jean Chretien's federal government.

New immigrants have given themselves to more than just politics, however. They've also invested financially in their adopted home. According to economist Roslyn Kunin, author of a government report on immigrant investment, C\$3 billion (US\$2.3 billion) was brought into Canada by business immigrants between 1986 and 1991. Most of that came from Asia. "Business immigrant investment played an important and moderating role in 1990 when the private sector as a whole experienced a period of net disinvestment," said Kunin in her report. "Over the past five years, business immigrant financial investment amounted to 10% of all business sector investment growth."

Impressive as those numbers are in their own right, they are even higher in

British Columbia, where, in 1992, a full 25% of the C\$4 billion invested in the province came from Hong Kong alone. Thanks to these new immigrants, the province enjoyed growth of 3.3% in 1992, far exceeding the 0.7% growth of the rest of Canada. Moreover, the Hongkong Bank of Canada, after purchasing the Bank of British Columbia and Lloyds Bank of Canada, has become the country's largest foreign bank with assets of C\$12.6 billion. Its most profitable branch: Vancouver Chinatown.

Vancouver city officials say the presence of a flourishing Chinese population is undoubtedly a plus. "Vancouver has become more interesting and more international," says Kenneth Dobell, its city manager. "These immigrants are most of the time entrepreneurs, they are educated and truly active in the community."

They are also rich. At the Chinatown branch of Hongkong Bank of Canada, half of the 20,000 clients have C\$3 million deposits. That money is mostly targeted at real estate, a traditional source of investment for Chinese people. "It's good for the real estate market, it's good for construction companies and it's good for Vancouver," says David Bond, the bank's chief economist in Vancouver.

"They have brought us prosperity, and they encourage us to work harder," adds Ian Haysom, editor-in-chief of the *Vancouver Sun*. True as that may be, letters to his paper show some members of the local population are worried about the rise in the price of houses, brought about by intense speculation by Asian immigrants. Some Vancouverites also worry about the immigration trend, which if it continues at its current pace will mean 40% of the city's population will be Asian in the year 2010. Already, a full one third of the students at Vancouver's University of British Columbia are from Asia, most studying business administration and commerce.

One of the men responsible for the city's transformation is Terry Hui, the 30-year-old president of Concord Pacific Developments and the Vancouver rep-



Terry Hui, Li Ka-shing's representative, and (inset) Thomas Fung.



Vancouver's Chinese face.

resentative of billionaire investor Li Ka-shing, Hong Kong's richest man. In 1988, along with two other prominent Hong Kong businessmen — New World Development's Cheng Yu-tung and Henderson Land's Lee Shau-kee — Li bought the former site of the Expo '86 fair in order to convert it into a C\$3 billion, 200-hectare business and housing complex. When completed, the project will include 42,000 office spaces, 8,000 apartments and 50 hectares of parklands, covering one sixth of downtown Vancouver.

Hui's mission is firmly to dismiss any fear that Hong Kong's tycoons are taking over. "We're going to have audio-visual presentations, conferences and TV advertisements," says Hui. "We want people to understand what we are doing." In 1988, 216 apartments were put on sale in Hong Kong weeks before they were offered in Vancouver. That caused a major worry within the local population. "Now," says Hui, "Vancouver is two weeks ahead of Hong Kong."



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To be sure, the governments of British Columbia and Vancouver were anxious to attract Li to the region, believing that his high-profile image and reputation would attract other investors from Hong Kong and Taiwan. Li's huge commitment, therefore, is viewed by many as a reflection of the government's successful strategy to search out Asian entrepreneurs.

On a long-term basis, however, one of Vancouver's main drawing cards remains the return of Hong Kong to China in 1997. The 1989 Tiananmen massacre led thousands of

Hong Kong businessmen to apply for Canadian right of abode. Y. B. Lee, 55, was one of them. A very active leader of the local Chinese community and the organizer of Vancouver's Chinese New Year festival, Lee was a successful entrepreneur in Asia who looked at Canada as a good place for semi-retirement. But since moving, he, too, has invested, setting up several businesses with friends he met after he arrived. Among his current business interests: an oil and gas trading firm, a property consultancy company, a dry-wall tools business and a condominium development near Coquitlam Harbour. Together, those projects bring his total investment in Canada to about C\$4 million.

Lee's offices are located in Richmond, a small town half an hour's drive from Vancouver, where new Chinese immigrants have begun to settle. "Over the past four years, our city's population jumped from 85,000 to 125,000 people," says Shelley Leonhardt, general manager of the Richmond Chamber of Commerce. "We now compete directly with Vancouver."

As a result of the Asian influx and accompanying investment, Richmond is increasingly becoming like Hong Kong. Commercial arcades such as Parker Place, Yaohan Department Store or Aberdeen Centre include herbal medicine shops, Cantonese restaurants and Chinese movie theatres. This month, Richmond will hold a Chinese New Year's fair, the largest in North America, with a budget of C\$500,000. It will include Chinese opera along with a Hong Kong favourite — karaoke contests.

The man behind Richmond's Asian boom is Thomas Fung, the 42-year-old low-key president of Fairchild Holdings Ltd. Fung is the brother of Hong Kong property giant Tony Fung, the chairman of Sun Hung Kai Securities. According to a Hongkong Bank study, Thomas is also one of the richest Chinese in Vancouver. A University of British Columbia graduate, he started seven years ago with a small bakery chain called Saint Germain. But, in 1989, he bought a large empty field in Richmond to build "North America's first ethnic commercial centre."

"For the first six months, nobody wanted to rent the spaces, so I decided to occupy them myself," Fung says. "I started several restaurants, fashion boutiques, a book store, a Chinese cinema and a bowling alley." Aberdeen Centre now has a long waiting list of people who want to rent space. "I'm investing in the long term," he says. "More immigrants will come to Vancouver in the run-up to 1997. They will have strong buying power." That is precisely what city officials are hoping for. ■

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