

Australian wine industry a shining light

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Hong Kong hasn't escaped the global financial crisis with Gross Domestic Product (GDP) growth in 2008 expected to be between three and 3.5 per cent, down from 6.4 per cent in 2007.

Authorities expect a slowdown in 2009 in external trade and a continuing rise in unemployment.

However, it is not all bad news. Lorna Wong, director of the Hong Kong Economic and Trade Office told attendees of a Hong Kong-Australia Business Association function in Perth, Western Australia that new plans call for further economic integration of Guangdong, Hong Kong and Macau and enable joint economic planning across the Pearl River Delta (PRD).

"The plan supports closer integration within PRD in financial services and closer co-operation in the areas of cross boundary infrastructure developments, tourism, conventions and exhibitions and environmental protection." said Wong.

"The aim is to facilitate faster movement of people, goods and capital in this region. With a combined population of more than 54 million, the potential of this Greater Pearl River Delta region is enormous. Last year, more than 800 foreign companies established offices in Hong Kong."

Wong cited the burgeoning wine industry as a good example of Hong Kong's industry at work.

"Last year's abolition of import duty on wine saw a 90 per cent increase in wine imports over 2007. While the global economic downturn has put pressure on Australian wine exports, China and Hong Kong continue to provide a silver lining, recording strong value growth. In the year ending January 2009, wine exports to China and Hong Kong increased by 34 per cent (up A\$18 million) and 20 per cent (up A\$6 million) respectively, according to the Australian Wine and Brandy Corporation.

"Hong Kong is rapidly becoming a major Asian hub for the international wine industry, a role that will bring with it jobs and investment, and discussions are under way to further the collaboration on wine trade between Hong Kong and Australia.

"The Hong Kong Trade Development Council held its first international wine fair last August, attracting more than 240 international wine merchants from more than 25 countries, and over 40 Australian wineries were represented there."

Wong said of all the states and territories in Australia, Hong Kong enjoys the most flourishing relationship with Western Australia.

"With our removal of import duty on wine, there is a lot of potential for bilateral trade growth between Hong Kong and Western Australia, and we encourage wine exporters to seize this opportunity in the years ahead."