SFST visits Toronto and calls on enterprises to develop wealth management and family businesses in Hong Kong (with photos)

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, started his five-day visit to Canada on May 26 (Toronto Time). His first stop was Toronto, where he met with representatives of two banks and an insurance group immediately after his arrival in the city.

Mr Hui arrived in Toronto in the afternoon. He started his itinerary with a meeting with the Group Head, RBC Wealth Management, Mr Neil McLaughlin, and Executive Vice President and Global Head, Strategy, Products and Digital Investing, Mr Stuart Rutledge, of the Royal Bank of Canada. He then proceeded to Scotiabank to meet with its Group Head for Global Wealth Management, Ms Jacqui Allard, and Vice President, Strategic Cultural Segments, Mr Amit Brahme.

Both banks are deeply interested in the development of the wealth management business in Hong Kong. Mr Hui shared that Hong Kong is currently the largest cross-border wealth management hub in Asia, and some anticipate that Hong Kong will leap into first place globally by 2028. The family office business is an important segment of the asset and wealth management sector in Hong Kong. As of end-2023, the size of private banking and private wealth management business attributed to family offices and private trusts clients reached US$185.2 billion (HK$1,452 billion), providing huge business opportunities for the asset and wealth management sector and other related professional services (such as legal and accounting services). Mr Hui also highlighted the diversity of financial products in Hong Kong and the latest passage of the stablecoins legislation, providing investors with numerous investment options. The banks were encouraged to utilise the developmental strengths of Hong Kong's asset and wealth management industry and establish their presence in Hong Kong.

Mr Hui also met with the Group Vice President and Head of Asia of Power Corporation of Canada, Mr Henry Liu, this evening. He introduced to him the facilitation and concession provided by the Government to family offices looking to set up or expand their business in Hong Kong, such as no licence being required for a single family office under the Securities and Futures Ordinance if it does not carry on a business of regulated activity in Hong Kong. Single family offices can also enjoy profit tax exemption for qualifying transactions. Mr Hui highlighted the Government's efforts in enhancing the preferential tax regimes for funds, single family offices and carried interest, including expanding the scope of "fund" under the tax exemption regime, increasing the types of qualifying transactions eligible for tax concessions for funds and single family offices and enhancing the tax concession arrangement on the distribution of carried interest by private equity funds. The Government targets working out the details of the proposals by this year and submitting the legislative proposals to the Legislative Council for consideration in 2026, striving to implement the relevant measures from the year of assessment 2025/26. Mr Hui called on the company to leverage the ideal business environment with stability and predictability to set up family offices in Hong Kong. Power Corporation of Canada operates a wide range of businesses covering North America, Europe and Asia, including insurance, wealth management and investment businesses.

On May 27 (Toronto Time), Mr Hui will visit two insurance companies, meet with the Hong Kong-Canada Business Association (Toronto Chapter) and attend a business luncheon with financial leaders in Toronto. He will also pay a courtesy call to the Consul-General of the People's Republic of China in Toronto.