

Xi stresses stability, progress in China's economic work

China will stick to the basic tone of “seeking progress while maintaining stability” in this year’s economic work to ensure stable and healthy development, Chinese President Xi Jinping said Tuesday.

“China will strive to improve the quality and efficiency of the economy and deepen supply-side structural reform,” Xi said at a meeting of the Central Leading Group on Finance and Economic Affairs.

It was the 15th conference of the leading group, which is headed by Xi. Premier Li Keqiang, the deputy head, also attended the meeting.

The country’s economic regulators reported their work plans in excess capacity cutting, financial risk control, property market regulation and the revival of the manufacturing sector.

After hearing the reports, Xi highlighted the handling of loss-making “zombie companies” in excess capacity cutting.

“The government should make more efforts to guarantee subsistence allowance and re-employment for those laid-off, and grab effective methods to dissolve corporate debts and prevent moral hazard,” Xi said. “China will accelerate building a supervision coordination mechanism and strengthen macro-prudential regulation to prevent systemic risks.”

He also pointed out the role that financial supervision could play in improving the economy.

“Financial supervisors should fix weak links and act hard against illegal activities,” he said, calling for reform and innovation to help the financial sector better serve the real economy.

“Houses are built to be lived in, not for speculation,” Xi said, when making instructions on house market regulation.

“A long-term mechanism will be established to ensure market stability, with improved policies to stabilize home buying, guide market expectations and enhance land supply systems,” Xi said.

Xi stressed quality in reviving the manufacturing sector, saying the sector should shift from the expansion of quantity to the improvement of quality.

“China will channel more energy into reducing prices and administrative fees in monopolized sectors, and strive to lower business burdens,” Xi added.

During the meeting, policymakers discussed the work report of the leading group, which has rolled out more than 400 measures to improve economic regulation since 2012.