

# Jilin special

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Shoppers visit a festively decorated shopping mall in Jilin province during Spring Festival. The Northeast China province saw a large increase in tourist visits and personal spending during the holiday. PHOTOS PROVIDED TO CHINA DAILY

## SERVICE SECTOR GROWTH KEY TO ECONOMIC RESTRUCTURING

Province has issued a series of supportive policies in past two years

By LIYANG and LIU MINGTAI

Jilin province, a heavy industrial base in Northeast China, regards the fast growth of its service sector in the past two years as an encouraging sign of its economic restructuring.

"A prosperous service industry is characteristic of a modern economy and an important symbol of the economy's modernization, internationalization and healthiness," said Bayinchaolu, Party chief of Jilin, explaining why the province attaches such importance to the development of the service sector.

"Increasing the service sector's proportion in Jilin's economy and improving the quality of the service industry are both necessary for economic restructuring, and an inevitable trend of Jilin's economic development," he said. "In the future, the service industry's size should be larger than the secondary industry, as well as agriculture, in Jilin."

Statistics from the Jilin government show that the added value of the province's service industry last year hit 534 billion yuan (\$82 billion), up 8.3 percent year-on-year. The growth rate is 2.7 percentage points higher than that of the secondary industry, and 1.8 percentage points faster than that of the province's gross domestic product. It is the first time that Jilin's service sector has grown faster than its industries for two consecutive years.

The service industry contributed 37.4 percent of Jilin's GDP last year, 1.2 percentage points higher than 2014, and the service sector's contribution ratio to Jilin's economic growth reached 45.7 percent, 8.1 percentage points higher than in 2014, and 15.2 percentage points higher than in 2010.

Jilin started boosting the development of its service sector in 2011, by expediting its partnerships with advanced manufacturing industries and modern agriculture.

The provincial government actively supports the development of manufacture-related, life-related and village-related service industries, and brand strategy and the formation of a host of industry development platforms for Jilin's service sector.

The government issued a series of supportive policies to promote the development of software programming, service outsourcing, cultural industry, tourism, household service, pension service and real estate industries.

Last year, Jilin hosted 141 million tourists, up 16.39 percent year-on-year, and its tourism revenue increased by 25.36 percent from 2014, hitting 232 billion yuan. By the end of last year, Jilin's financial industrial asset size was 3.23 trillion yuan, an increase of about 20 percent every year since 2011. Tourism and the financial industry have become two main engines for Jilin's economy.

The Jilin government became a strategic partner with Alibaba Group, China's largest e-commerce company, in early 2014. Last year, the total of e-commerce transactions in Jilin surpassed 260 billion yuan, a steep rise of 40 percent from a year earlier.

All the cities in Jilin have made service sector development a key in restructuring their economies. The provincial capital of Changchun parallels the service sector with industries as dual engines of its economy. Jilin city, the second-largest city economy in the east of the province that bears the same name, has made boosting the development of the service sector a key work task for county and district governments, which serves as an important reference to evaluate



Changbai Mountain and the border regions with Russia and the Democratic People's Republic of Korea are popular tourist attractions in Jilin thanks to their picturesque scenery and ethnic cultures.



Left: Frozen rivers and snow-covered willows are a typical winter view in Jilin, known for its efforts to preserve the natural environment. Right: Hoarfrost is a popular winter view in the province.



“Increasing the service sector's proportion in Jilin's economy and improving the quality of the service industry are ... an inevitable trend of Jilin's economic development.”

Bayinchaolu, Party chief of Jilin

local civil servants' performance.

The city governments in Yanbian, Tonghua and Liaoyuan also drafted directives on a service industry development plan and detailed implementation rules. The city mayor, district and county heads in Songyuan signed liability statements, which clearly stipulated their responsibilities in boosting the development of the local service sector.

Jilin makes the development of its financial industry a priority as it has been difficult and expensive for enterprises or individual businesspeople to obtain loans.

**37.4 percent**

Service sector's contribution to Jilin's GDP last year

The government has improved the province's financial policy environment and introduced Shengjing Bank, Huaxia Bank, Export-Import Bank of China, Hong Kong and Shanghai Banking Corporation and some other financial institutes. Local rural banks, credit cooperatives, small loan companies and financing guarantee companies have sprung up in large numbers.

In the past five years, 79 financial institutes in Jilin have set up special departments for small enterprises, employing more than 5,400 people, and more than 500 financial products have been created for small and micro businesses.

Changbai Mountain and border regions with Russia and the Democratic People's Republic of Korea are popular tourist attractions in Jilin for their picturesque scenery and ethnic cultures. Among 11 land port cities along the border, 10 have developed driving, horse riding and Northeast Asia tour programs with partners from the DPRK.

Jilin is also actively developing its senior citizen nursing industry. Statistics from the provincial government show that for every

**\$82 billion**

Added value of Jilin's service sector last year

1,000 people aged 60 or above, Jilin had 32 beds in nursing homes last year, up 8.9 percent year-on-year.

Jilin's offshore service outsourcing turnover was \$78.44 million last year, increasing 18.8 percent from 2014.

In the past five years, Jilin has carried out 100 projects, each of which has investment of more than 100 million yuan, in logistics, information service, financial service, tourism and cultural innovation. The huge amount of investment coming from out of the province is helping Jilin's service industry realize a big leap forward in development. Jilin now has 32 modern service industry zones, which accommodate more than 3,000 enterprises and provide over 30,000 jobs.

Changchun has the Northeast Asia cultural innovation technology park, Jilin Normal University technology innovation and cultural industry park, software and cartoon service outsourcing industrial park and two financial business zones.

Yanbian has an IT industrial park that mainly outsources software services to Japan and the Republic of Korea, Tumen logistics

### Spring Festival blooms

Jilin province hosted 8.9 million tourists during the Spring Festival holiday in the second week of February, up 15.42 percent year-on-year, of whom 42.7 percent were short-distance travelers. The tourism revenue for the week hit 7.57 billion yuan (\$1.16 billion), up 2 percent year-on-year. Personal spending averaged 851 yuan, up 6.08 percent year-on-year.

Ice and snow sculptures, hot springs and hoarfrost scenery were the most popular attractions, especially for tourists from the south of China. More than 20,000 people climbed Changbai Mountain and about 40,000 tourists visited Songhua Lake, an increase of 200 percent year-on-year. The eight largest ski resorts saw a 26 percent rise in travelers compared with last year.

The number of travelers to hot springs in Dunhua, Yanbian and Jilin city reached the upper limit of the resorts' handling capacity.

Tourists were also keen to participate in folk culture activities in the villages, experiencing local people's lifestyles, customs and food.

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land port, and Hunchun international logistics development zone.

Baishan city is famous for its Changbai Mountain international tourism, leisure and holiday resort area. Gongzhuling city's strength in the service industry is in logistics at the Daling logistics industrial park.

On Feb 14, the first workday after Spring Festival, the Jilin provincial government held a conference on further promoting the development of the service sector.

Bayinchaolu said in the meeting that the government should drive the development of the service industry into the "fast lane", and make efforts to cultivate the sector as a robust new engine for Jilin's economic growth in the 13th Five-Year Plan (2016-20) period.

"Compared with developed regions, Jilin's service sector is still small in size, unbalanced in structure and regional distribution, lower in level and weaker in competence," Bayinchaolu said.

According to the provincial government plan, in the next five years, the main objective is to expedite the development of the service industry, increase its share in the economy, and raise its level.

"Jilin should choose the proper path according to its practical conditions, and cannot simply copy the model of developed regions," he said. "Jilin's service industry should be able to explore the province's potential, expand its development space, built on its current strength, and attach more importance to innovation and serving people's livelihoods."

He said China's Belt and Road Initiative offers Jilin opportunities to merge into the global service industry system through cooperating with Northeast Asian countries.

Jiang Chaoliang, Jilin provincial governor, urged governments at all levels in the province to issue more supportive policies, improve government services and create a favorable environment, especially in the fields of tax, finance and talent cultivation, for the development of the service sector.

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