

POLICY REVIEW

New infrastructure to drive growth

Premier says pandemic has highlighted importance of information and internet sector

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The State Council wants to see more new infrastructure developed to promote industrial upgrading, foster drivers of economic growth and spur job creation.

At its executive meeting on April 28, the Cabinet decided on a host of measures to boost the growth of information networks and other new infrastructure, with efforts to apply new investment and development models and prioritize investment from market channels.

The government will support involvement by diverse market entities, with financial institutions to be encouraged to develop new products and services to bolster investment and development, the Cabinet said in a statement.

The meeting also underlined the importance of exploring the application of new infrastructure and encouraging the building of the industrial internet with a view to promoting industrial upgrading and the development of smart manufacturing.

Premier Li Keqiang told the meeting the information and internet sector would have a key role to play in spurring spending and investment, with the sector's importance on full display during the novel coronavirus pneumonia pandemic.

He said the market would have the most important say in creating new applications to help drive consumption and investment.

The meeting emphasized the need to spur digital consumption, with measures to encourage applications related to online working, distance learning, telemedicine, vehicle networking and smart city technologies.

It also pledged steps to promote openness and cooperation between the telecommunications sector and other sectors and to eliminate barriers to cross-sector application. The goal is to create an environment that will encourage the development of the platform economy and the opening up and integration of sectors, and foster an ecosystem in which platforms and their participants achieve win-win outcomes.

The protection of personal privacy and the security of networks and data will be bolstered, and the opening up of relevant sectors and international cooperation will be deepened to enable common development, the Cabinet said.

Wu Hao, head of the National Reform and Development Commission's department of high-tech industry, said last month that new infrastructure encompasses a range of sectors, from fifth-generation telecommunications, the industrial internet and artificial intelligence to blockchain technology, data centers, and smart transport and energy infrastructure.

Liu Duo, president of the China Academy of Information and Communications Technology, said Chi-



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na could spend 750 billion yuan (\$106.2 billion) on new information infrastructure this year, with 380 billion yuan of that invested in network infrastructure, including 5G.

She told a symposium last month that digital infrastructure would be the key part of China's new infrastructure construction push, with 5G the key pillar for the digital economy.

By February, China had set up over 160,000 5G base stations and launched large-scale commercial use of the telecommunications network in 50 cities, with the number of users reaching 13 million, according to data from the academy.

“Compared with its own develop-

ment, the value of 5G lies more in the fact that it can empower industries,” Liu said.

She said she expected 5G to spur 1.2 trillion yuan in investment by telecommunications service providers in the next five years, with the commercial use of the technology to drive a 1.8 trillion yuan market in mobile data traffic, 2 trillion yuan in information services and 4.5 trillion yuan in final consumption.

It will directly create 3 million jobs by 2025, Liu added.

Jia Kang, head of the China Academy of New Supply-Side Economics, said smaller businesses were unlikely to take part in the new

infrastructure push directly, but they would be one of the main beneficiaries of the emerging sectors' extended industry chains.

“A main feature of the new infrastructure and emerging sectors is their highly extended industry chains,” he said. “They will set the stage for the development of small and medium-sized businesses in urban areas and even businesses in poor areas.”

It was important to avoid the construction of lavish and luxurious buildings during the development of new infrastructure, he added, and make sure new facilities catered to actual economic demand.

Policy digest

Cabinet briefed on two sessions suggestions

The State Council executive meeting on April 28 was briefed about the handling of suggestions and proposals submitted to the two sessions last year.

It was told that its departments handled 7,162 suggestions last year that were put forward by deputies to the National People's Congress, accounting for 87.8 percent of all the suggestions the NPC's annual session received that year.

They also handled 3,281 proposals put forward by members of the National Committee of the Chinese People's Political Consultative Conference, accounting for 85 percent of all the proposals at the committee's 2019 session.

The departments carefully studied and adopted the suggestions and proposals, and came up with more than 1,500 policies in response that boosted the government's work on issues such as poverty elimination, administrative streamlining and support for medium-sized, small and micro-sized businesses.

The meeting was told the departments should carefully handle suggestions and proposals collected this year, listen closely to the calls of society and the people, build consensus and carry out government work in a more targeted manner.

They should gather advice from all sectors of society, consult deputies and members at the two sessions, absorb their insights and translate them into policies that not only help control the novel coronavirus pneumonia pandemic but also promote economic and social development.

The two sessions, usually held in March, will be held later this month after their postponement due to the pandemic.

Circular outlines antipollution criteria

China has issued a circular to introduce assessment measures for provincial-level governments' antipollution work in a bid to win the battle against pollution.

Assessment indicators should target prominent ecological and environmental problems and focus on tasks in the battle against pollution, the circular, issued by the General Office of the Communist Party of China Central Committee and the General Office of the State Council, said.

The main things to be assessed will include legislation on ecological and environmental protection and supervision, performance in meeting annual targets in the battle against pollution and the use of relevant funds.

Provincial-level governments' antipollution work last year and this year will be evaluated, the circular said, with the results to serve as an important basis for evaluating the performance of officials and allocating funds for ecological and environmental protection.

Xinhua contributed to this story.

WANG QINGYUN

POLICY RESPONSE

First-quarter tax and fee cuts save total of 742.8 billion yuan

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A number of ministry-level departments, including those responsible for taxation, education, and industry and information technology, have recently responded to issues of public concern.

Tax revenue down 16.4% in first quarter of year

China saw a total of 742.8 billion yuan (\$105.19 billion) of tax cuts and fee reductions in the first quarter of this year, according to the State Taxation Administration.

As much as 318.2 billion yuan came from favorable policies the government adopted this year to boost efforts to contain the novel coronavirus pneumonia pandemic and boost economic development, Cai Zili, director of the administration's revenue planning and accounting department, told a news conference on April 29.

The rest came from larger-scale tax and fee reduction policies

adopted last year, he said.

The country had recently released new tax cut policies, such as those designed to boost car sales, Cai said, and had resorted to different measures to help medium-sized, small and micro-sized businesses get through the hard times.

China's first-quarter tax revenue dropped 16.4 percent year-on-year as a result of tax and fee cuts and the smaller tax base due to the pandemic, he said.

Cai said the drop would be significantly less in the second quarter, as macroeconomic policies issued by the Central Committee of the Communist Party of China and the State Council were having positive effects and people's lives were quickly returning to normal.

1 million students return to university campuses

More than 1 million university students had returned to campus in 14 provinces, autonomous regions and municipalities, as well as the



Xinjiang Production and Construction Corps, by Thursday.

The statistics were revealed at a meeting held by the Ministry of Education to guide universities' preparations for the new semester.

Universities in nine other provincial-level regions will start their new semesters after the Labor Day holiday, the ministry said in a statement.

It was emphasized at the meeting that universities should make careful plans, put the lives and health of teachers and students front and center, and pay great attention to students' interests, such as exams and job hunting.

They should also adopt strict dis-

ease prevention policies and re-adjust them according to the development of the novel coronavirus pneumonia pandemic.

Online campaign to help graduates find jobs

The Ministry of Industry and Information Technology and the Ministry of Education will launch an online employment campaign to help university graduates find jobs in small and medium-sized enterprises.

The China SME Information Portal (sme.miit.gov.cn) and the Ministry of Education's job site for university graduates (www.ncss.cn) will publish information about jobs and job seekers for free, according to a notice released online.

The campaign will be carried out in two stages, one from May 11 to June 29, and the other from Oct 12 to Nov 30.

Companies and universities will hold online job interviews in the first stage and campus recruiting in the second stage.

Local authorities overseeing SMEs should arrange for the enterprises to join the campaign and create a database that includes information about the enterprises, job descriptions and the number of people they plan to hire.

University departments in charge of graduates' employment affairs should set up a database of job seekers that includes their personal information, the jobs they are looking for and where they plan to work.

Car loans encouraged in bid to boost sales

The authorities have unveiled a slew of measures to drive car sales amid efforts to ensure the stable and normal operation of the economy, a circular released on April 29 said.

The circular was jointly issued by 11 departments, including the National Development and Reform Commission and the China Banking and Insurance Regulatory Commission.

Financial institutions will be encouraged to offer loans to people wanting to buy cars, it said.

More efforts will be made to increase support for car loans and boost sales by lowering down payment ratios and interest rates and extending repayment periods.

Steps will also be taken to make it easier to trade used cars, so as to drive new car sales.

Other measures include adjustments to the implementation of “China VI” vehicle emission standards, and favorable tax policies for purchases of new energy vehicles.

Xinhua contributed to this story.

