

《Hu vows to boost domestic demand, deepen economic reform》

BEIJING, Nov. 8 (Xinhua) -- Hu Jintao on Thursday vowed to drive the economy more by domestic demand and push forward across-the-board economic reforms to address problems in the country.

"We must strive to remove major structural barriers to sustained and sound economic development, with a focus on improving the demand mix and the industrial structure, promoting balanced development between regions and advancing urbanization," Hu told about 2,300 delegates attending the opening ceremony of the 18th National Congress of the Communist Party of China (CPC).

In his keynote report to the congress, Hu said strategic adjustment of the economic structure is the major goal of accelerating the change of the growth model.

"We should firmly maintain the strategic focus of boosting domestic demand, speed up the establishment of a long-term mechanism for increasing consumer demand, unleash the potential of individual consumption, increase investment at a proper pace, and expand the domestic market," he said.

In the first three quarters of this year, China's retail sales grew 14.1 percent year on year to 14.94 trillion yuan (2.37 trillion U.S. dollars), contributing to about 55 percent of gross domestic product and surpassing investment for the first time in driving the economy growth in the period, according to the National Bureau of Statistics (NBS).

Meanwhile, fixed asset investment, which used to be the primary driver of the Chinese economy, rose 20.5 percent year on year to 25.69 trillion yuan, NBS statistics showed.

He stressed the importance of the real economy as a firm foundation of the economy, and policies and measures should be adopted to better facilitate the development of the real economy.

China should make the economy more demand-driven, promote the sound growth of strategic emerging industries and advanced manufacturing industries, speed up the transformation and upgrading of traditional industries, develop and expand the service sector, especially modern service industries, and make the geographical and structural layout of the development of infrastructure and basic industries more balanced, he said.

In pressing ahead with economic structural reforms, Hu noted, China will deepen reform of the financial system so that it will better contribute to macroeconomic stability and support development of the real economy.

"We should develop a multilevel capital market, take steady steps to make interest rates and the Renminbi exchange rate more market-based and promote the yuan's convertibility under capital accounts in due course," Hu said, pledging to improve financial supervision and oversight, promote financial innovations and ensure financial stability.

He also stressed the development of next-generation information infrastructure and modern IT industry, better ensuring information security, and promoting the application of information network technologies.

China should enhance the core competitiveness of large and medium-sized enterprises and support development of small and micro businesses, especially small and micro science and technology companies, he said.

The country should also continue to implement the strategy for regional development and fully leverage the comparative advantages of different regions, he said.

He said support should be increased for old revolutionary base areas, ethnic minority areas, border areas and poor areas through pairing assistance and other means.

China will continue to accelerate the building of free trade areas and promote infrastructure connectivity with neighboring countries.

