

Beauty and Hairdressing Industry to be Opened under Trade in Services Agreement: Taiwan Has Confidence in Facing the Competition with Excellent Skill and Care

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Mainland Affairs Council (MAC) Minister Wang Yu-chi (July 7) accompanied Vice Minister Vanessa Shih of Foreign Affairs this morning on an inspection visit to Vice Minister Shih's long-time stylist to sound out the feelings of the hairdressing industry following the signing of the Cross-Strait Trade in Services Agreement. Minister Wang held discussions with the business owner while Vice Minister Shih had a haircut. The stylist said that hairdressing services and skills in Taiwan have achieved a certain level, and with a client base carefully managed over the years, she has confidence in facing market competition and does not worry about the impact of Mainland investment on Taiwan's hairdressing market.

The stylist noted that she has many deeply loyal customers, including Taiwanese businesspeople working abroad, some of which even make special trips back to Taiwan from the United States to see her. She also said that she remembers every customer's preferences and needs so quite a few customers have been coming to her for eight or nine years, throughout their student days to their married lives now, and have become like friends.

When asked whether or not she worried about the impact of Mainland investment on Taiwan's hairdressing market, "Actually, no" was the stylist's reply. She explained that

Taiwan's hair stylists begin as apprentices, making painstaking efforts to cultivate professional skills that can not be easily replaced, and they continue to upgrade their skills even after becoming stylists. Vice Minister Shih also agreed with these points, noting that throughout her years of assignment overseas, she was still in the habit of returning to Taiwan to have her hair styled. She said that she feels most at ease with the hairdressing skills of Taiwan stylists because they have strong professional skills, are constantly upgrading their techniques, are always abreast of the latest fashion trends, truly understand customer demands, and the price is also very reasonable.

Minister Wang indicated that the main purpose of this visit to the stylist was so that business owners could understand that the Cross-Strait Trade in Services Agreement recently signed focuses on the Mainland's huge services market and aims to secure market share for potential and existing Taiwanese businesspeople in the Mainland market. Minister Wang stated that, it has always been the rule of free trade agreements to “give and take.” The Mainland opened up 80 service industry categories to Taiwan in this Agreement, and in return, Taiwan opened partial industries, such as the beauty and hairdressing industry, to Mainland investment.

Although the government opened up Taiwan's hairdressing industry to Mainland investment, it did not open up for Mainland beauticians and hair stylists to work in Taiwan. Moreover, minimum amount for Mainland investment in Taiwan beauty salon industry must reach at least US\$200,000 (NT\$6 million), if the Mainland investors wished to come to Taiwan.

Minister Wang emphasized that Mainland investors

establishing hair salon chains in Taiwan will need to hire most of their employees locally, which will create local job opportunities. He also stressed that, foreign investment cannot simply compete with money against the professional skills, hospitality, attentive services, care, consideration and sincerity provided to customers from local Taiwan hairdressing industry.