# Services offset GDP slowdown pressures

Segments like extracurricular education for children are seeing enormous demand and recording runaway growth


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Slowdown — what slowdown?

That appears to be the typical response of observers of the Chinese economic growth trajectory these days.

As the world's second-largest economy — 82.71 trillion yuan ($11.92 trillion) in 2017, up 6.9 percent — weans itself off exports and increasingly becomes consumption-driven, sectors like services are hogging as much limelight as traditional growth engines like manufacturing and infrastructure, areas that some believe are troubled now.

"Stable income growth will support consumption growth at a steady level, providing a sound base for the overall economy this year," said Liu Aihua, spokeswoman for the National Bureau of Statistics (NBS).

For economists, concerns over a potential debt-bubble-burst no longer hold terrors, it seems. Focus is now on the success of the reform and opening-up policy, and fresh measures to sustain high growth rates by nipping potential risks in the bud and stoking expansion of emerging business segments.

Among such measures, the push to services has caught economic pundits' attention. For, within services, segments like extracurricular education are seeing enormous demand and recording runaway growth.

This is raising hopes that the annual GDP growth targets — around 6.5 percent for 2018 — will likely be achieved no matter what, experts said.

Skeptics may question such views, but a quiet street in western Beijing appears to bear silent but clinching testimony that experts' optimism about the Chinese economy is well founded.

A crowd of young parents and their kids converges there on a Saturday morning in November. They are eager to find their way through a passage that leads up to a modern shopping mall. The main gate is still closed, but a cavernous tunnel-like passageway leads the tykes and their parents to the third floor.

Their destination is an area that is home to more than 20 kids training centers. These new-age for-profit business ventures target children aged 3 to 16. There are baby swimming centers, painting workshops, dancing classrooms, and so-called robot innovation centers.

Gao Ruixue, a young mother, watches her 5-year-old daughter tiptoe gingerly in a ballet classroom. "Fortunately, we were not late this time," she said.

It's a big deal for parents such as Gao to be able to find a place for their kids in training centers like this one. They spend a great deal of money, energy and time to ensure that. In doing so, they help keep the wheels of the macroeconomy turning.

Gao drives 15 kilometers to bring her daughter to the 9 am ballet class. During the two-hour session, Gao and other parents sit and wait outside the arena.

The scene is more or less the same outside every center: Long lines of parents on benches, and groups of parents standing because there are not enough chairs to sit on. They have small talk, a shared sense of achievement, and a bit of anxiety.

"I just paid 28,000 yuan toward next year's tuition fees for my daughter. It's for 90 hours, but the price could have been higher had I paid it late," said Gao.

As soon as the dancing class finishes, she whisks her daughter away to another center next door, this time for an English-language class.

Not surprisingly, Gao's smartphone embeds her family bank account, which she accesses every now and then to pay this bill or that. Gao and her husband pull in some 40,000 yuan in post-tax monthly income, of which 30 percent, or 12,000 yuan, is spent on the girl's training bills.

And 10,000 yuan, or one-fourth of their month-

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