

Policy address 2015 focuses on economy, housing and population policy

In his third Policy Address, the Chief Executive of the Hong Kong Special Administrative Region, C Y Leung, yesterday (January 14) announced new measures to boost the economy, increase housing supply and harness the potential of Hong Kong people.

The Policy Address, titled "Uphold the Rule of Law; Seize the Opportunities; Make the Right Choices", also announced a series of initiatives in poverty alleviation, elderly care, environmental protection, health care, education and youth development.

On constitutional development, Mr Leung stressed that it must proceed in accordance with the Basic Law and the relevant Interpretation and Decisions of the Standing Committee of the National People's Congress. He said he sincerely hoped the community would make good use of the two-month consultation period launched last week to discuss issues in a rational and pragmatic way to forge a consensus.

If we forge a consensus based on a clear understanding of the situation, said Mr Leung, for the first time in history, we can select the leader of Hong Kong by universal suffrage by "one person, one vote" in 2017. But to achieve this, we have to lobby members of the Legislative Council and obtain two-thirds majority support from them for the passage of the proposal made in accordance with the Basic Law and the relevant stipulations. To secure the implementation of democratic universal suffrage, he said, we must respect one another and seek common ground while accommodating differences. Neither the community nor the Government will accept or tolerate any unlawful acts.

To promote the development of innovation and technology, Mr Leung announced a HK\$5 billion injection into the Innovation and Technology Fund to better support private sector R&D in HK. He also said that the Government intends to use Kowloon East as a pilot area to explore the feasibility of developing a Smart City.

Mr Leung said that the Government would be working with Guangdong throughout the planning and development of the pilot Free Trade Zones in Nansha, Qianhai and Hengqin, and would continue its efforts to seek further market liberalisation in the Mainland of China with a view to achieving basic liberalisation of trade in services between the entire Mainland China and Hong Kong by the end of this year. A major step was recently taken with the signing of an agreement under the Closer Economic Partnership Arrangement (CEPA) to liberalise trade in services in Guangdong.

In addition to initiatives to boost the development of high-value maritime services in Hong Kong, the Government is also studying the development of Hong Kong's aerospace financing business so as to strengthen Hong Kong's status as an international aviation and financial centre.

The Government will also support the Hong Kong film industry, injecting funding into the

Film Development Fund that would enable it to encourage local production and promote Hong Kong films in overseas markets, helping local films to get to international film festivals, and helping develop Hong Kong as a film financing platform in Asia.

Mr Leung emphasised the Government's strong commitment to creating more land for housing and commercial development, with a number of specific initiatives. Mr Leung announced that a preliminary study would be launched as soon as possible for the East Lantau Metropolis which will accommodate new population and serve as a new core business district in addition to Central and Kowloon East.

To promote tourism and convention, Mr Leung said that the Government would commence discussion on the Phase 2 development of the Hong Kong Disneyland Resort, and would consider constructing a new convention centre around 2020.

Mr Leung said that the Government would provide HK\$100m to upgrade training in the construction industry to meet industry needs; as well as making enhancements to make it easier to import skilled construction workers where local supply cannot meet demand. To boost the construction industry, advance works for the new multi-purpose stadium at Kai Tak would start this year, with main construction commencing in 2017. Following the Railway Development Strategy 2014 announced last year, Mr Leung said that the Government will implement seven new railway projects in phases by 2031.

The Government will set up a HK\$300 million Youth Development Fund to support new and innovative youth development activities, including a subsidy in the form of matching funds for NGOs to assist young people in starting their own business.

To address the challenges brought by demographic changes, Mr Leung announced a number of initiatives. He said that the Government would extend the service of civil servants and encourage the private sector to extend working life of employees. It would also take a more pro-active approach to attracting talent and professionals from outside Hong Kong.

One particular initiative is a new pilot scheme to encourage the second generation of Chinese Hong Kong permanent residents - children of permanent residents who have emigrated overseas - to return to Hong Kong to work, by facilitating their entry and stay. The Government would also relax the stay arrangements under the General Employment Policy, the Admission Scheme for Mainland Talents and Professionals and the Quality Migrant Admission Scheme. Finally it would study the feasibility of drawing up a talent list to attract, in a more effective and focused manner, high-quality talent to support Hong Kong's development as a diversified and high value-added economy.

On the environment, Mr Leung said that the Government would work to improve air quality by requiring vessels at berth in HK to use low-sulphur diesel fuel; designate low-emission zones in Causeway Bay, Central and Mong Kok for franchised bus companies; and trial single-deck electric buses by franchised bus companies. It would also set up a Recycling

Fund to support the recycling industry;

Mr Leung also said that the Government would seek to increase the number of Hong Kong Economic and Trade Offices in Asia to help business and investors tap the Asian market

Mr Leung concluded: “Hong Kong people are hardworking, law-abiding and tenacious. Hong Kong is backed by our country and gathering momentum of development. Given the strong fiscal position of the HKSAR Government, we will be able to take full advantage of the opportunities ahead and make right choices as long as we adhere to our values, maintain our confidence and stand united.”

The Policy Address website is www.policyaddress.gov.hk and the complete document can be downloaded at: www.policyaddress.gov.hk/2015/eng/pdf/PA2015.pdf