

**Summary of the views expressed at
the Third Meeting of the Executive Committee
of the Commission on Strategic Development
held on 6 April 2006**

(Translation)

The Chief Executive reiterated the role of the Executive Committee (EC) in co-ordinating the work of the other Committees of the Commission on Strategic Development. Each of the four Committees of the Commission had its own terms of reference. They have equal status with no hierarchical relationship between them. The EC's main responsibility was to examine strategic issues that had far-reaching implications on the overall development of Hong Kong in the longer term. In general, the EC would not discuss topical issues that could be dealt with by the other three Committees. However, the EC was tasked at the same time the role of co-ordinating the work of the other three Committees. If issues being examined or discussed by the other three Committees were outside their respective terms of reference or overlapped with the work of another Committee, the EC would co-ordinate the work of the Committees concerned. The EC could also propose specific strategic issues for in-depth deliberation and discussion by the other three Committees.

2. To enable the effective co-ordination of the work of the other three Committees by the EC, the Chief Executive announced that starting from this meeting, the Secretariat would prepare an information note on the progress of work of the other three Committees for Members' reference before each meeting. In addition, the Secretariat would issue copies of the summaries of views expressed at the meetings of the other three Committees to EC Members to facilitate their understanding of the work of the other Committees.

**Progress of Work of Other Committees of the Commission
(Paper Ref: CSD/EC/4/2006)**

3. The following comments were raised by Members –

Creative Industries

- (a) The courses and training offered by the local tertiary education institutions should be reviewed to further facilitating the grooming of local talents in support of the development of local creative industries;

- (b) The Government should coordinate and promote the local creative industries, particularly on research and development;

Population Policy

- (c) The Council for Sustainable Development has commenced the discussion on issues related to population policy recently. The Government should ensure that discussions of the Council and the Committee on Social Development and Quality of Life (SC) would not overlap with each other;
- (d) The eligibility and portability of public benefits should be included in the discussion on population policy by the SC;
- (e) There was concern over the impact of the Mainland new arrivals on the quality of population of Hong Kong;
- (f) Members would like to have more information on the long-term demographic trend of Hong Kong (up to 2030);

Town Planning and Development

- (g) Hong Kong should align with the overall infrastructure planning of the Mainland. The Government should further clarify its policy on urban redevelopment, and the development of the waterfront area in Central and Sheung Wan;

Education

- (h) The Government should consider extension of the current nine-year free education;

Environmental Problems

- (i) Environmental pollution, especially air pollution, should be a major topic for discussion in so far as quality of life is concerned;
- (j) Members would like to have more information on pollution problem in Hong Kong in a long-term perspective (up to 2030);

Illegal Employment

- (k) There were concerns about the problem of illegal workers, particularly after the implementation of Individual Visit Scheme;

Attracting Talents

- (l) The Government should develop an overall and comprehensive policy to attract talents;
- (m) As the Committee on Economic Development and Economic Cooperation with the Mainland (EDC) had discussed the issues related to 'Hong Kong as a Hub for Talents' on 11 April 2006, it was suggested that the Secretariat should provide Members with the relevant documents and summary of views expressed at the EDC meeting for reference when the issue of 'Hong Kong international competitiveness' was to be discussed at the next EC meeting on 8 June 2006;

Cross-boundary Traffic

- (n) The Government should consider the feasibility of further relaxing the control over vehicular flow between Mainland and Hong Kong;

Tourism

- (o) The Government should provide the necessary supporting measures to facilitate the development of Hong Kong's tourism, especially an adequate supply of hotel rooms, with a view to maintaining our position as the Asia's world city;

Sustainable Development

- (p) As the discussion on 'income inequality and social mobility' by the SC and the discussion on 'Creation of employment' by the EDC could be relevant to the discussion on sustainable development by the EC, there was a suggestion that the EC should make reference to the views expressed by the SC and EDC in its discussion on sustainable development;

Executive-led System

- (q) Members suggested to discuss the executive-led system at future meetings.

4. The Chief Executive asked the Secretariat to convey the above views to the relevant Committees and government bureaux / departments for consideration.

Matters arising from the last meeting

Workshop on Hong Kong's international competitiveness

5. The Chief Executive said Members had agreed at the last meeting that the Secretariat should organize a workshop before this meeting for Members to exchange initial views on how Hong Kong could enhance its international competitiveness, so as to facilitate a more focused and in-depth discussion at the subsequent meeting. The relevant workshop was held on 4 April 2006. The Chief Executive thanked Dr Victor FUNG and Dr Eden WOON for sharing their views with Members at the workshop. The Secretariat would prepare a summary of views expressed at the workshop for Members' reference as soon as possible.

Members' response to the questionnaire on "Hong Kong's positioning in our country's economic, social and political development"

6. The Chief Executive said that Members had discussed the issue of "Hong Kong's positioning in our country's economic, social and political development" at the last meeting. As some of the Members might not have sufficient time to express their views on the discussion paper, the Secretariat issued a questionnaire to Members on 15 February 2006 and invited them to provide written comments on the eleven areas of concerns. As at 29 March, the Secretariat had received a total of eight written submissions which had been circulated to all Members for reference on the same day. The Chief Executive invited Members to send in any further written comments, by 21 April. Upon receipt of Members' submissions, the Secretariat would collate and consolidate the comments and forward them to the relevant bureaux and departments for consideration.

Uploading of Members' views to the Commission's web page

7. The Chief Executive pointed out that Members agreed to upload the summaries of views expressed at the meetings of the Committees and the written submissions prepared by Members to the Commission's web page to enhance transparency. The Secretariat had made the necessary arrangements. Interested Members might visit the Commission's web page.

Hong Kong's Positioning in the International Community and External Affairs

(Paper Ref.: CSD/EC/5/2006)

8. A Member remarked that Hong Kong was an externally-oriented economy. Its sound judicial system would help Hong Kong become a bridge for international investors to enter the Mainland market. At the same time, Hong Kong had built up a pool of talents comprising people with creativity, international outlook, strong market sense and extensive network. This coupled with the tremendous productivity of the Mainland had provided an impetus to the development of Hong Kong as a trading platform. However, the strengths of Hong Kong in this respect might be reduced with the gradual opening up of the Mainland and the progressive refinement of its laws and regulations. Another Member pointed out that since the time of reunification, the Hong Kong community had become more inward-looking than outward-looking, with narrowing visions. It was thus important to help revert this trend.

9. There was a view that the roles and functions of the overseas Economic and Trade Offices (ETOs) set up by the Government should be strengthened to assist in consolidating the international position of Hong Kong. There was also a view that the number of ETOs established in the Asian region might be on the low side. In addition, a Member suggested that the Government should review the effectiveness of its participation in international organisations.

10. A Member opined that human resources were crucial to the sustainable development of Hong Kong. However, our young people nowadays generally lacked the necessary drive and crisis awareness. They were not familiar with the history of Hong Kong or aware of its positioning and strengths. They even had no confidence in Hong Kong. The Government should seek to change their mindset through publicity and education, and to help them revive and renew their confidence and vigour.

11. Members generally considered that raising the English standard of Hong Kong people was of particular importance in sustaining our international competitiveness. In view of the continuing decline in the English standard of our young people and the gradual rise in the standard of English and other foreign languages of people in Mainland cities, Hong Kong must make extra efforts to improve the language proficiency, especially in Chinese, English and Putonghua of our youth, in order to reinforce our strengths. There was a view that in order to improve our language standard, we need a sound education system and language policy to create a conducive environment which would provide more opportunities for Hong Kong people to use English. There was

also a suggestion that the SAR Government should set an example by using English in meetings and in the Legislative Council.

12. Furthermore, some Members held that the expatriate community living and working in Hong Kong had a significant bearing on the development of Hong Kong as Asia's world city. It was also an indicator of the level of recognition enjoyed by Hong Kong in the international community. However, it was pointed out that the number of expatriates living in Hong Kong was gradually decreasing in recent years, and those who had come to Hong Kong found it difficult to get fully integrated into the community. It was believed that among others, the declining use of English language in Hong Kong nowadays and the lack of a flexible immigration policy were the reasons behind. A Member pointed out that there was no expatriate member in this Committee.

13. A Member opined that to establish and consolidate Hong Kong's international status, the Government should actively participate in various kinds of major international events and play host to some of them, such as the Hong Kong Ministerial Conference of the World Trade Organisation held earlier. The Government might also consider proactively inviting international organisations to set up regional offices or secretariats in Hong Kong. In addition, the non-government organisations and professional bodies of Hong Kong should also actively participate in and promote international events in order to broaden their international exposure. There was also a suggestion that the Government should step up support and assistance to the relevant work and consider setting up a designated department to co-ordinate the related efforts with a view to strengthening the communications between Hong Kong and other international organisations.

14. A Member was concerned that the lack of understanding among some Hong Kong people of the trend of globalisation of economy would create an obstacle to Hong Kong's participation in the globalisation process. Another Member was concerned about the problem of environmental pollution, especially the air pollution, of Hong Kong. There was a view that the quality of our environment would have a direct impact on our international status. The Government was urged to address the problems seriously.

15. On the academic side, a Member opined that the assessment mechanisms for local tertiary institutions and their academic staff should be reviewed so as to encourage the academic staff to carry out more applied researches on international and regional issues. This would not only establish our position in the international academic research community, but also help foster a research culture and facilitate the nurturing of talents in Hong Kong. It was also suggested that the Government should encourage the setting up of more local think-tanks to enhance the quality of research activities in Hong Kong.

Another member recommended a central scholarship to be set up by the Government to attract outstanding students from overseas and the Mainland to study in Hong Kong.

16. The Chief Executive concluded the meeting with the following comments:

- (a) The Basic Law had set out the constitutional basis of Hong Kong's "external affairs". While Hong Kong had to act in accordance with the Basic Law in its participation in the international community and in external affairs, the Basic Law had allowed ample room for such participation, which was in fact more than those enjoyed by other cities in the Mainland and around the world. However, this might not be fully understood by Hong Kong people, and more efforts had to be devoted to promote public understanding in this regard.
- (b) As a matter of fact, Hong Kong had been actively participating in external affairs on the basis of the Basic Law. Hong Kong had strength and experience in international trade, finance, tourism, cultural exchanges, and the handling of non-traditional security issues in the international arena. To strengthen the work in these aspects, the Government should re-examine the effectiveness and its priorities in its participation in various international organisations.
- (c) With the globalisation of the world economy and China's adoption of peaceful diplomacy, there would be more opportunities for Hong Kong to strengthen its international status and further expand its role in external affairs. In this regard, the Government may consider allocating more resources in promoting Hong Kong overseas.
- (d) The Government should further refine its existing policies and strengthen its co-operation with tertiary education institutions and voluntary organisations.
- (e) The Chief Executive encouraged Members to continue to put forward their views to the Secretariat, which would be circulated to other Members for reference.

17. The attendance list is attached.

策略發展委員會
行政委員會第三次會議
2006 年 4 月 6 日

Third Meeting of the Executive Committee
of the Commission on Strategic Development
6 April 2006

出席人士

Attendance List

主席 :

Chairman :

The Chief Executive

行政長官

官方委員 :

Official Members :

The Chief Secretary for Administration

政務司司長

The Financial Secretary

財政司司長

Head, Central Policy Unit

中央政策組首席顧問

Director, Chief Executive's Office

行政長官辦公室主任

非官方委員 :

Non-Official Members :

Mr CHAN Cho-chak, John, G.B.S., J.P.

陳祖澤先生, G.B.S., J.P.

Prof CHAN Lai-wan, Cecilia, J.P.

陳麗雲教授, J.P.

Mr CHAN Wing-kee, G.B.S., J.P.

陳永棋先生, G.B.S., J.P.

Mr CHENG Hoi-chuen, Vincent, G.B.S., J.P.

鄭海泉先生, G.B.S., J.P.

Mr CHENG Kar-shun, Henry, G.B.S.

鄭家純先生, G.B.S.

Mr CHENG Mo-chi, Moses, G.B.S., J.P.

鄭慕智先生, G.B.S., J.P.

Dr CHENG Wai-kin, Edgar, G.B.S., J.P.

鄭維健博士, G.B.S., J.P.

Dr CHOI Yuen-wan, Philemon, S.B.S., J.P.

蔡元雲醫生, S.B.S., J.P.

The Hon CHOW LIANG Shuk-ye, Selina, G.B.S., J.P.

周梁淑怡議員, G.B.S., J.P.

Prof CHOW Wing-sun, Nelson, S.B.S., J.P.

周永新教授, S.B.S., J.P.

The Hon EU Yuet-mee, Audrey, J.P.

余若薇議員, J.P.

Ms FANG Meng-sang, Christine, J.P.

方敏生女士, J.P.

Dr FUNG Kwok-king, Victor, G.B.S., J.P.
Mr LAU Hon-chuen, Ambrose, G.B.S., J.P.
Prof LAU Juen-yee, Lawrence
The Hon LEE Chu-ming, Martin, J.P.
Mr LI Tzar-kuoi, Victor
Dr LIAO York, S.B.S., J.P.
Dr QIN Xiao
The Hon TSANG Yok-sing, Jasper, G.B.S., J.P.
Prof TSUI Lap-chee
Mr WONG Hong-yuen, Peter, G.B.S., J.P.
Prof WOO Chia-wei, G.B.S.
Mr WOO Kwong-ching, Peter, G.B.S., J.P.
Mr WU Ting-yuk, Anthony, J.P.
Sir WU Ying-sheung, Gordon, G.B.S.
Mr YEUNG Yiu-chung, B.B.S., J.P.

馮國經博士, G.B.S., J.P.
劉漢銓先生, G.B.S., J.P.
劉遵義教授
李柱銘議員, J.P.
李澤鉅先生
廖約克博士, S.B.S., J.P.
秦曉博士
曾鈺成議員, G.B.S., J.P.
徐立之教授
黃匡源先生, G.B.S., J.P.
吳家瑋教授, G.B.S.
吳光正先生, G.B.S., J.P.
胡定旭先生, J.P.
胡應湘爵士, G.B.S.
楊耀忠先生, B.B.S., J.P.

因事未能出席

非官方委員 :
Non-Official Members :

The Hon CHAN Yuen-han, J.P.
Ms CHENG Yeuk-wah, Teresa, J.P.
Prof CHU Ching-wu, Paul, J.P.
Mr HE Guangbei
The Hon LAU Chin-shek, J.P.
The Hon LAU Sau-shing, Patrick, S.B.S., J.P.
Dr LEE Peng-fei, Allen, J.P.
Mr WONG, Raymond R., S.B.S.

陳婉嫻議員, J.P.
鄭若驊女士, J.P.
朱經武教授, J.P.
和廣北先生
劉千石議員, J.P.
劉秀成議員, S.B.S., J.P.
李鵬飛博士, J.P.
黃應士先生, S.B.S.