

**Summary of the views expressed at
the Seventh Meeting of the Executive Committee
of the Commission on Strategic Development
held on 7 December 2006**

The Chairman welcomed Members to the meeting. He said that the Committee would focus its discussion on “Further Development of Regional Cooperation” at this meeting.

Matters Arising from the Last Meeting

2. The Chairman reported that the Secretariat had summarized Members’ views on “Follow-up on the Economic Summit on China’s 11th Five-Year Plan and the Development of Hong Kong” and referred them to relevant government bureaux and departments for consideration.

**Progress of Work of Other Committees of the Commission
(Paper Ref: CSD/EC/12/2006)**

3. The Chairman said that the Paper was a regular report which provided Members with an update on the progress of work of the other three Committees of the Commission.

4. The Chairman informed that the seventh meeting of the Committee on Governance and Political Development had detailed discussions on the possible models for selecting the Chief Executive and forming the Legislative Council by universal suffrage. The Committee on Social Development and Quality of Life had discussed some current issues including support for the family and population policy.

**Further Development of Regional Cooperation
(Paper Ref: CSD/EC/13/2006)**

5. The Chairman drew Members’ attention to Mr HE Guangbei’s written submission which was tabled for Members’ reference. Prof. Lau Siu-kai, Head of the Central Policy Unit introduced the paper and Members’ views were summarized in the following paragraphs.

Strengths of Hong Kong as a regional hub

6. Members generally agreed that Hong Kong should make the best use of its status as an international centre of trade, financial services and logistics. Geographically, Hong Kong was positioned at the centre of Asia, with the Mainland to the North and South. This had made Hong Kong a natural regional hub for the flow of people, goods, capital and information.

7. A Member pointed out that the capitalist system and the way of living in Hong Kong had made this city a very unique and dynamic place to work and live in. This was an edge over other Mainland cities.

8. A Member opined that Hong Kong had very high international reputation in professional services, such as health care and rehabilitation services. In addition, in terms of professional groups and NGOs network, Hong Kong enjoyed very strong recognition among its peers over the world. Therefore, the Government should consider providing more incentives for international NGOs to establish their headquarters in Hong Kong.

Economic Cooperation

(a) Exhibitions and Conventions

9. Members noted that the International Telecommunication Union TELECOM WORLD 2006 recently held in Hong Kong had attracted a considerable number of overseas and Mainland visitors. Hong Kong should continue to attract more international conferences and exhibitions of this scale to Hong Kong, which should be an effective booster to our international image and status. In this regard, Members noted that the Hong Kong Tourism Board had set up a unit to attract major international conferences and exhibitions to be staged in Hong Kong. A Member opined that the Government should also provide support to the staging of social, cultural or professional events.

(b) Air Transport

10. A Member raised the concern about competition from airports of neighbouring cities. He remarked that flights going to or coming from Europe had to make a detour and fly over a 'barrier' over the air-space of Guangdong. This had increased both flying time and fuel cost. He

underlined the need to urgently discuss with the Mainland authorities on this matter so as to enable the aviation industry in Hong Kong to develop further.

11. A Member remarked that the Baiyun International Airport in Guangzhou had become a strong competitor to Hong Kong. Another Member echoed that Hong Kong faced fierce competition from other parts of the region. For example, Japan, Korea and Shanghai had been competing for flights between North America and Asia, and Singapore had been competing for flights between Europe and Asia. Hong Kong should consider ways to expand our market.

(c) *Land Transport*

12. A Member raised that the planning of the Hong Kong-Zhuhai-Macau Bridge project had been discussed for some years. The governments of Hong Kong, Macau and Guangdong should consider resolving the issue as soon as possible.

Cooperation in Regional Public Goods

13. Members opined that the scope of cooperation should not be confined to economic and financial matters, but should also cover matters in regional public goods, including education, cultural and social issues.

(a) *Education*

14. A Member opined that Hong Kong would be able to develop itself into an education hub if university qualifications obtained by students from South-east Asian countries could be duly recognized. He hoped that the Government would assist in seeking mutual recognition of qualifications with these countries.

15. Another Member raised the issue of inadequate provision of student hostels. If necessary, we might consider renovating those vacant schools and hostels to resolve the accommodation problem.

16. A Member took the view that the existing funding policy for tertiary institutions should be critically reviewed in order to promote innovation and to give due recognition to applied research.

(b) *Manpower*

17. A Member raised the importance of vocational training for the youth without post-secondary qualification. He remarked that the Mainland market was looking for middle-ranking personnel who had expertise in marketing, finance or design. This provided a good opportunity for the youth who had received vocational training in Hong Kong to work in the Mainland. Another important issue was mutual recognition of qualifications by the Mainland authorities. This was beneficial to both sides. On the one hand, the Mainland could make use of Hong Kong's vocational expertise to upgrade the former's standard in the relevant field. On the other hand, it provided job opportunities for Hong Kong people.

18. A Member opined that Hong Kong lacked strategy in developing innovation and technology and both manpower and funds were essential to the development. In terms of manpower, he felt that Hong Kong had not yet fully utilized the wealth of Mainland talents because of stringent immigration barriers. He also suggested that the Government should consider providing better support to Mainland scientists working in Hong Kong in terms of accommodation facilities and children education. Another Member suggested that Hong Kong should improve its living conditions and air quality in order to attract talents.

(c) *Welfare*

19. There was a view that certain services such as housing, education and health care services should be provided for Hong Kong residents working in the Mainland. A Member suggested that the Guangdong Province and Hong Kong should cooperate closely on these matters.

20. A Member suggested developing Hong Kong as a logistic centre for disaster relief in Asia, like the United Kingdom in Europe. Hong Kong should be more proactive in cooperation with neighbouring countries in Asia in this regard.

(d) *Issue on Pregnant Women from the Mainland*

21. Some Members were concerned with the recent surge in the number of mainland pregnant women coming to Hong Kong to give birth to babies. They noted that local pregnant women were very concerned

that they might be deprived of receiving proper and timely medical care. A Member suggested that the Government should consider raising the medical fees for those pregnant women who were non-local residents.

22. Some Members took a different view. They considered that the recent trend might actually help alleviate our ageing and low fertility rate problems. Hong Kong might consider admitting these children when they were at school age since a steady supply of local talents was essential in sustaining our long-term development.

Regional Cooperation with Taiwan and Macau

23. A Member took the view that Hong Kong should accord more importance to the development of ties with Macau and Taiwan. He opined that Hong Kong did not have much cooperation with Taiwan due to historical and political reasons. However, he suggested that as a first step, cultural cooperation between Hong Kong and Taiwan could be strengthened. On the other hand, Macau's economy had been prospering in recent years. In particular, Macau had manpower shortage in casino and hotel development projects. It would be mutually beneficial if more cooperation between Macau and Hong Kong could be explored.

Conclusion

24. The Chairman concluded the meeting with the following remarks:

- (a) Members generally considered that regional cooperation should not be confined to economic and trading cooperation, but also involve other areas such as disaster relief, social and cultural exchange.
- (b) Hong Kong was geographically a natural hub in Asia. We should continue to facilitate the flow of people, capital, goods and information between the Northern and Southern parts of Asia. Although Hong Kong was already a centre for international conferences and exhibitions, the Government should play a more proactive role in promoting and attracting international events.
- (c) In respect of cooperation with the Mainland, Members generally agreed that there was a need to expand the scope of cooperation with the Pearl River Delta and Pan-Pearl River Delta, such as in

the areas of research & development, technology, and environmental protection. We should also strengthen our ties with the Mainland, including the Western and middle regions of China.

- (d) Members raised that we should consider providing more support to Hong Kong people living in the Mainland, as well as Mainland people working in Hong Kong.
- (e) Members had shared their views on the issue of Mainland pregnant women coming to Hong Kong. The Government was now working on possible measures to tackle the issue and would give top priority to taking care of the needs of local pregnant women.
- (f) On transportation network matters, Members had expressed their views on regional infrastructural development. Some Members pointed out the challenges concerning air transport, e.g. competition from other airports in the region and limited air-space.
- (g) The Chairman announced that the next meeting of the Committee would be held on 26 January 2007. The schedule of meeting in 2007 was tabled for members' reference (Annex 1).

25. The attendance list is attached at Annex 2.

Secretariat to the Commission on Strategic Development
January 2007

Meeting on 7 December 2006
For information

Paper Ref: CSD/EC/14/2006

**Commission on Strategic Development
Executive Committee**

Schedule of Future Meetings

The schedule of meetings of the Executive Committee in the first half of 2007 is as follows:

<u>Meeting</u>	<u>Date/ Time</u>	<u>Venue</u>
8 th Meeting	26 January 2007 (Friday) 3:00 p.m.	Conference Hall, 1/F, New Annex, Main Wing, Central Government Offices
9 th Meeting	16 April 2007 (Monday) 3:00 p.m.	Conference Hall, 1/F, New Annex, Main Wing, Central Government Offices
10 th Meeting	14 June 2007 (Thursday) 3:00 p.m.	Conference Hall, 1/F, New Annex, Main Wing, Central Government Offices

Secretariat to the Commission on Strategic Development
December 2006

策略發展委員會
行政委員會第七次會議
2006 年 12 月 7 日

Seventh Meeting of the Executive Committee
of the Commission on Strategic Development
7 December 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
Head, Central Policy Unit
Director, Chief Executive's Office

政務司司長
中央政策組首席顧問
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.
Mr CHAN Wing-kee, G.B.S., J.P.
The Hon CHAN Yuen-han, J.P.
Mr CHENG Hoi-chuen, Vincent, G.B.S., J.P.
Mr CHENG Kar-shun, Henry, G.B.S.
Mr CHENG Mo-chi, Moses, G.B.S., J.P.
Dr CHENG Wai-kin, Edgar, G.B.S., J.P.
Dr CHOI Yuen-wan, Philemon, S.B.S., J.P.
The Hon CHOW LIANG Shuk-ye, Selina, G.B.S., J.P.
The Hon EU Yuet-mee, Audrey, J.P.
Ms FANG Meng-sang, Christine, J.P.
Dr FUNG Kwok-king, Victor, G.B.S.
The Hon LAU Chin-shek, J.P.

陳祖澤先生, G.B.S., J.P.
陳永棋先生, G.B.S., J.P.
陳婉嫻議員, J.P.
鄭海泉先生, G.B.S., J.P.
鄭家純先生, G.B.S.
鄭慕智先生, G.B.S., J.P.
鄭維健博士, G.B.S., J.P.
蔡元雲醫生, S.B.S., J.P.
周梁淑怡議員, G.B.S., J.P.
余若薇議員, J.P.
方敏生女士, J.P.
馮國經博士, G.B.S.
劉千石議員, J.P.

Prof LAU Juen-yee, Lawrence
The Hon LAU Sau-shing, Patrick, S.B.S., J.P.
The Hon LEE Chu-ming, Martin, J.P.
Mr LI Tzar-kuoi, Victor
Dr LIAO York, S.B.S., J.P.
Mr SHIU Sin-por, S.B.S.
The Hon TSANG Yok-sing, Jasper, G.B.S., J.P.
Mr WONG Hong-yuen, Peter, G.B.S., J.P.
Mr WONG, Raymond R., S.B.S.
Prof WOO Chia-wei, G.B.S.
Mr YEUNG Yiu-chung, B.B.S., J.P.

劉遵義教授
劉秀成議員, S.B.S., J.P.
李柱銘議員, J.P.
李澤鉅先生
廖約克博士, S.B.S., J.P.
邵善波先生, S.B.S.
曾鈺成議員, G.B.S., J.P.
黃匡源先生, G.B.S., J.P.
黃應士先生, S.B.S.
吳家瑋教授, G.B.S.
楊耀忠先生, B.B.S., J.P.

因事未能出席

Apologies

官方委員 :

Official Member :

The Financial Secretary

財政司司長

非官方委員 :

Non-Official Members :

Prof CHAN Lai-wan, Cecilia, J.P.
Ms CHENG Yeuk-wah, Teresa, B.B.S., J.P.
Prof CHOW Wing-sun, Nelson, S.B.S., J.P.
Prof CHU Ching-wu, Paul, J.P.
Mr HE Guangbei
Mr LAU Hon-chuen, Ambrose, G.B.S., J.P.
Dr LEE Peng-fei, Allen, J.P.
Prof TSUI Lap-chee, J.P.
Dr QIN Xiao
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.

陳麗雲教授, J.P.
鄭若驊女士, B.B.S., J.P.
周永新教授, S.B.S., J.P.
朱經武教授, J.P.
和廣北先生
劉漢銓先生, G.B.S., J.P.
李鵬飛博士, J.P.
徐立之教授, J.P.
秦曉博士
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.