

CE identifies land supply, education and economic diversification as priorities in annual Policy Address

The Chief Executive, Mrs Carrie Lam, today (October 10) unveiled her 2018 Policy Address, announcing a raft of measures to boost land supply, nurture talent and diversify the economy.

"While the road ahead may not be all smooth and easy, I strongly believe that it will lead to a broad runway for Hong Kong to take off again," Mrs Lam said, delivering her Policy Address entitled "Striving Ahead, Rekindling Hope".

To help resolve the challenge of land supply shortage, the Chief Executive said the Government is determined to "identify and produce land and build a land reserve".

Mrs Lam said the current-term Government will increase the ratio of public housing, allocate more land to public housing development, and undertake that 70 per cent of the housing units on the Government's newly developed land will be for public housing.

The Government will also launch a new "Lantau Tomorrow Vision", and realise this vision through the following five policy directions and investments:

- * Unleash land potential, increase land supply and develop a liveable near carbon-neutral city;
- * Accord priority to transport infrastructure;
- * Develop an Aerotropolis and the third Core Business District for Hong Kong, after Central and Kowloon East;
- * Enhance environmental capacity for sustainable development, including setting up a \$1 billion Lantau Conservation Fund; and
- * Increase leisure and entertainment facilities to promote a healthy lifestyle.

The Government will also reactivate the revitalisation scheme for industrial buildings, and expand it to allow wholesale conversion of industrial buildings for transitional housing use.

To promote a more liveable city, Mrs Lam announced a range of initiatives to ease traffic congestion. These include rationalising tolls for private cars, taxis and motorcycles using the three road harbour crossings, increasing the number of parking spaces and launching a pilot "water taxi" service. To further reduce roadside pollution, the Government will introduce

various new measures, including tightening emission standards for newly registered motorcycles and phasing out Euro IV diesel commercial vehicles by the end of 2023.

The non-means tested Public Transport Fare Subsidy Scheme proposed in the Policy Address last year will be launched in January 2019. The 2018 Policy Address has further proposed waiving or paying for the toll charges on franchised buses for using tunnels and roads by the Government, so that the toll savings can be directly used to ease fare increase pressure.

Amidst the unstable and fluctuating international trade environment, Mrs Lam said Hong Kong must pursue the development of a diversified economy in order to enhance its capabilities in withstanding external shocks.

She proposed a series of measures to advance the development of innovation and technology (I&T):

- * Injecting \$20 billion into the Research Endowment Fund set up by the Research Grants Council, launching a new Research Matching Grant Scheme with a total commitment of \$3 billion and setting up fellowship schemes to strengthen the pool of talent in research and I&T in Hong Kong;

- * Allocating \$2 billion for launching a Re-industrialisation Funding Scheme and earmarking an additional \$2 billion for the Hong Kong Science and Technology Parks Corporation to identify suitable land for building facilities required by the dedicated advanced manufacturing sector; and

- * Opening up government data and introducing a pro-innovation government procurement policy.

She further proposed a series of measures to support and promote the maritime sector, the insurance industry and the film industry with the allocation of extra resources.

On education, Mrs Lam said, "Talent is the most important element in Hong Kong's continued development, and education is the key to nurturing talent."

Mrs Lam said the Government will implement the all-graduate teaching force policy in public sector primary and secondary schools in the 2019/20 school year, incurring additional funding of about \$1.5 billion.

Elsewhere, additional recurrent resources of \$570 million would be given to schools to strengthen administrative support, an additional provision of \$800 million will be set aside to support students with special educational needs, and a new recurrent Life-wide Learning Grant will be launched in the 2019/20 school year with an annual provision of \$900 million.

To improve healthcare and foster social harmony, Mrs Lam identified several focus areas of the Government. Amongst the priorities are to strengthen primary healthcare services by setting up the city's first District Health Centre in Kwai Tsing, and extending this model to other districts.

She also reiterated the Government's commitment to promoting the development of Chinese medicine, adding that a dedicated fund with \$500 million to promote applied research and specialisation in Chinese medicine would commence operation in the first half of 2019.

For protection of public health, the Government will also submit proposed legislative amendments to ban the import, manufacture, sale, distribution and advertisement of e-cigarettes and other new smoking products, Mrs Lam announced.

Mrs Lam also announced additional support for employers in relation to the abolition of the "offsetting" arrangement under the Mandatory Provident Fund Scheme. "We will extend the period of the second-tier subsidy to 25 years. Together with the 12-year first-tier subsidy, the financial commitment of the entire government subsidy scheme will be significantly increased to \$29.3 billion," Mrs Lam said.

To improve labour conditions, the Government will extend the statutory maternity leave from the current 10 weeks to 14 weeks, and reimburse the additional four weeks' statutory maternity leave pay to the employers.

Meanwhile, the Old Age Living Allowance will be extended to eligible elderly people living across the boundary in the Mainland provinces of Guangdong and Fujian.

Expressing concern for the more vulnerable members of the community, Mrs Lam said additional resources would be allocated to the Commission on Children to implement various measures to safeguard the rights and well-being of children. She also said the Government would formulate a new Hong Kong Rehabilitation Programme Plan to address the needs of persons with disabilities.

"I believe that the HKSAR Government and myself are capable of building a better Hong Kong. I believe that all sectors in the community will leverage on their own strengths and seize the opportunities presented by the Belt and Road Initiative and the Greater Bay Area development in exploring new areas of economic growth. I believe that our country will continue to provide staunch support for Hong Kong, help us rise to challenges and continue to inject new impetus to facilitate Hong Kong's development. Holding on to these three beliefs, we will certainly see hope. Let us strive ahead to rekindle hope for Hong Kong!" Mrs Lam concluded.