

# CE's speech in delivering "The Chief Executive's 2018 Policy Address" to LegCo (1)

Mr President, Honourable Members and fellow citizens,

Today, I present the second Policy Address in my term of office to the Legislative Council (LegCo). As in last year, I prefer sharing with Hong Kong people my governance philosophy and highlighting some of the specific measures to reading out the whole Policy Address.

2. Titled "Striving Ahead Rekindling Hope", this Policy Address runs to roughly 40 000 words. It comprehensively covers such areas as good governance, housing and land, diversified economy, nurturing talent, improving people's livelihood, liveable city and connecting with young people. I hope that when you read it, you will get a better grasp of Hong Kong's current situation and the Government's responses to various social issues. Building on the Hong Kong Special Administrative Region's (HKSAR) unique strengths under "One Country, Two Systems" and combining with the current-term Government's unflagging efforts since assuming office on 1 July last year, this Policy Address carries my unswerving determination in leading Hong Kong to strive forward. While there are many words, they serve just one purpose: rekindling hope for Hong Kong.

3. The Policy Address I present today also reflects my experience since I assumed office as the Chief Executive. In the past year or so, my political team and I have taken a pragmatic approach to "care", "listen" and "act" while being "innovative", "interactive" and "collaborative" in implementing our policy initiatives proactively. From enhancing our position as a financial centre, which includes revision of listing regulations and application of financial technologies (Fintech), to forging ahead the development of innovation and technology (I&T), such as the establishment of I&T clusters on healthcare technologies, artificial intelligence and robotics technologies, the outcomes of our initiatives have been remarkable. All these are testimonies to my belief when I was running for the Chief Executive: "Hong Kong people are outstanding and our foundations are solid. As long as we stand united and remain focused, I have no doubt that we will scale new heights!"

4. My another realisation is that there is no perfect solution in this world and it would be difficult to forge an absolute consensus in the community, yet divergence of views should not become an obstacle to the Government's leading Hong Kong to make progress and more importantly, it should never bring Hong Kong to a standstill. We have already spent a lot of efforts on many rounds of public consultations, whether on land supply options or abolition of the "offsetting" arrangement under the Mandatory Provident Fund (MPF) Scheme. It is high time for us to decide and proceed after discussions; since procrastination will just bring greater sufferings

to families living in a poor and overcrowded environment, in particular the children, and to grass-roots workers who need better retirement protection.

5. My third realisation is that we need companions as we “move forward”; the more inclusive the Government is, the more companions it will have. I would not harbour an unrealistic wish that all our political parties or Members of this Council share the same political stance, yet so long as the principle of “One Country” is not compromised, there should be plenty of room for collaboration. A good case in point is the visit by a cross-party delegation to various Mainland cities in the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) arranged by the LegCo early this year; another example is the approach of “dealing with simple issues before the difficult ones” adopted by the Government in presenting many funding items to this Council after consultation with Legislators of different parties towards the end of the last legislative session. This has helped reduce confrontation in this Council and contributed to the smooth passage of initiatives that benefit our economy and people’s livelihood.

6. My last realisation is that the Government should act swiftly and boldly on matters which clearly serve the public interest. In this Policy Address, I propose a total ban on electronic cigarettes for protecting the health of our citizens, particularly children and teenagers; actively promote primary healthcare services to change the present treatment-oriented healthcare system, and provide further resources for research and development (R&D) to enhance our research capability for supporting Hong Kong’s development into an international I&T centre. All these are big strides towards clear objectives.

7. These realisations from my experience as the Chief Executive may have added a personal touch to this Policy Address, but in fact many parts of it also reflect the views presented to me by LegCo Members and various sectors of the community. I have to thank my political team and colleagues of various ranks in the civil service for their exemplary dedication and progressive attitude in seeking and embracing change.

8. I have advocated a new style of governance in the current-term Government, of which the Government playing the roles of “facilitator” and “promoter” has received wide recognition from the community. Various bureaux and departments have become more proactive in handling economic and livelihood issues, and part of the efforts have been reflected in the 2018 Policy Address and the over 240 new initiatives in the Policy Agenda.

9. Some may ask whether the Government’s proactiveness will deviate from the market economy upheld by Hong Kong. My answer is “no”; but the city’s competitiveness is like a boat sailing against the current, and it must forge ahead in order not to be driven back, and hence the Government has every responsibility to provide policy support and explore business opportunities for enterprises locally and overseas, and to engage in more “government-to-government” interactions.

10. I introduced a new fiscal philosophy in the current-term Government to provide tax concessions to enhance the economic competitiveness of Hong Kong

and allocate resources to alleviate people's burdens and nurture talent. The Financial Secretary had introduced in the first Budget of the current-term Government a broad range of policy initiatives with long-term benefits and earmarked another \$388 billion for further investment in the future and enhancing public services.

11. Some may also question whether the Government will, by allocating resources more robustly to improve people's livelihood, deviate from the principles of fiscal prudence and keeping expenditure within the limits of revenues, thus embarking on the road to a welfare society. My answer is "no". With our ample fiscal reserves, it is the Government's responsibility to use resources derived from the community for the good of the community, invest for the future, relieve people's burdens and enable people from different walks of life to share the fruits of our economic growth.

12. The rule of law is the most important core value of Hong Kong, and independence of the judiciary is the key to embodying the rule of law. Let me reiterate that, any behaviour arising from disappointment with certain court verdicts, including unreasonable attacks on the judicial system and the Judiciary, interference with the independence of the judicial power or verbal insults on judges, are totally unacceptable as well as detrimental to the judicial system and the spirit of jurisdiction in Hong Kong. As the Chief Justice of the Court of Final Appeal, Mr Geoffrey MA Tao-li, pointed out at the Ceremonial Opening of the Legal Year 2018, any criticisms which are levelled against the Judiciary should be on an informed basis. Courts and judges are concerned only with the law and the legal issues which arise in any disputes to be determined by them. It is not relevant, nor is it any part of their constitutional duty to adjudicate on political, economic or social issues as such without reference to the law. It is in everyone's interest that the rule of law remains strong, respected and visible.

13. The HKSAR Government respects the functions of the LegCo to exercise checks and balances on the executive authorities. Upon the proposal of the LegCo Committee on Rules of Procedure, I have been attending Chief Executive's Question Time on a monthly basis to answer Members' questions in a "short question, short answer" format, in addition to Chief Executive's Question and Answer (Q&A) Session held four times a year. In the 2017-18 legislative session, I attended four Chief Executive's Q&A Sessions and seven Chief Executive's Question Times, and responded to a total of 139 questions. The Q&A sessions strengthen accountability, while interaction with Members allows me to better feel the pulses of society and promptly respond to issues of public concern. For example, the "Lift Modernisation Subsidy Scheme" proposed in the Policy Address with an allocation of some \$2.5 billion to assist the public with repair of lifts in older buildings is a response to several Members' suggestions.

(to be continued)