

CE's speech in delivering "The Chief Executive's 2023 Policy Address" to LegCo (1)

â€‹Following is the translation of the speech made by the Chief Executive, Mr John Lee, in delivering "The Chief Executive's 2023 Policy Address" to the Legislative Council this morning (October 25):

Mr President, Honourable Members and fellow citizens,

I. Foreword

1. This is my second Policy Address as your Chief Executive. In putting pen to paper for the 2023 Policy Address, I pondered what measures implemented over the past year have been most well-received by our community. I contemplated, too, which areas we should deepen and what new areas and development directions we should pursue. Throughout the process, I felt the weight of my responsibilities on my shoulders.

2. Since I took office, I have led the Government to embrace a result-oriented culture, building an administration with the focus on actions and delivery of results, as well as strengthening our co-operation and team spirit.

3. Over the past year, we have led Hong Kong out of the pandemic, with society returning to full normalcy. We have enhanced governance on various fronts, strengthening co-ordination and improving the civil service management system. We have formulated strategies to tackle the issues of intergenerational poverty, district environmental hygiene, land and housing supply, etc., and we have attained the targeted outcomes. We have rendered support and help to the elderly and the disadvantaged, established Care Teams, enhanced the Elderly Health Care Voucher Scheme and strengthened public hospital services. We have devised an improved district governance system, and promulgated the Youth Development Blueprint, the Hong Kong Innovation and Technology Development Blueprint and the Primary Healthcare Blueprint. We have enhanced the talent admission schemes and have been creating strong impetus for growth through more proactive integration into our country's development and expansion of international co-operation. These, and other, efforts have yielded some positive results, but I feel that much more can be done and achieved. Blessed with the strong support of our country and the close connection to the world, Hong Kong is the only world-class city that can capitalise on both the China advantage and the international advantage.

4. In preparing for this Policy Address, I have conducted more than 40 consultation sessions and visited numerous districts over the past three months to gather views from members of the public. I am thankful for their valuable suggestions and grateful for the general recognition of my policy

directions and strategies in the community. This Policy Address comprises measures consolidating work introduced over the past year – areas in which we need to delve deeper and wider – as well as new fields and directions we should pursue. It carries my vision and my pledge for the future of Hong Kong. It is a Policy Address for each and every one of us.

II. Challenges and Opportunities

5. Our governing tenets are to uphold "One Country, Two Systems", strengthen the economy and improve people's livelihoods. Our policy directions are to sharpen our edge and grasp the opportunities, while addressing our shortcomings and any potential risks. Our policy objectives are to make Hong Kong a better place for all – for people to enjoy a better living environment, students to receive quality education, young people to fully realise their potential, and the elderly to be well taken care of. We aspire to create a cohesive and caring community, with a vibrant economy where everyone can enjoy life.

6. This year, Hong Kong came out of the pandemic with strength. The Government has launched a host of campaigns and measures, including "Hello Hong Kong", "Happy Hong Kong" and "Night Vibes Hong Kong", to attract visitors and boost local consumption. The economy is recovering and people's incomes are improving. The real Gross Domestic Product (GDP) in the first half of the year saw a 2.2% increase, year-on-year, and the latest unemployment rate dropped to 2.8%, reflecting nearly full employment. The economy is set to reverse last year's negative results and resume growth this year.

7. Inbound tourism and local consumption have been the key drivers of our economic recovery. Average daily visitor arrivals are steadily rising, and reached nearly 70% of the level over the same period in 2018 this summer. Private consumption expenditure grew by 8.2%, year-on-year, in real terms in the second quarter, and total value of retail sales increased by more than 15%, year-on-year, in July and August, resuming to 85% of the level over the same period in 2018. As the aviation and related sectors gradually resume handling capacity, the number of visitor arrivals is expected to increase. The improvement of the economy and the labour market, alongside measures launched by the Government to sustain economic recovery, will boost private consumption.

8. Nevertheless, the external environment remains challenging. The world is undergoing unprecedented changes. Coupled with the successive interest rate hikes of advanced economies, designed to tame high inflation, the outlook of the global economy has been undermined, putting pressure on Hong Kong's economy. Our total goods exports and our investment and assets markets have been negatively impacted. At the same time, we face keen competition from other economies, while tackling internal challenges such as our ageing population and manpower shortage.

9. Despite the near-term challenges, abundant opportunities and our advantages remain. I will lead Hong Kong to grasp these opportunities and capitalise on our advantages, and develop new areas of growth. Hong Kong's

future will be as bright, energetic, competitive and prosperous as ever.

10. The global economic shift to the east will continue, and Asia will remain an important driver of global economic growth. Steady growth – and well above the global average – is forecast for the Mainland economy this year and next. This will create continuing opportunities for Hong Kong.

11. The Central People's Government has rendered firm support to Hong Kong for our economic development to fully capitalise on our distinctive advantages under the "One Country, Two Systems" principle. We must fully leverage these advantages. That means proactively integrating into our country's development, serving well as the hub connecting the domestic and global markets, participating in and promoting such national strategies as the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and the Belt and Road (B&R) Initiative. It also means making good use of the Closer Economic Partnership Arrangement (CEPA) and related measures, while realising Hong Kong's development of "eight centres" as outlined in the 14th Five-Year Plan. Given our country's pursuit of high-quality development and market expansion, these, and other initiatives, present unlimited, long-term promise for Hong Kong.

12. Hong Kong must sustain and reinforce its distinctive advantages as a global city. We must maintain our international reputation, strengthen regional collaborations, pursue the markets of the Association of Southeast Asian Nations (ASEAN) and the Middle East etc., and strive for early accession to the Regional Comprehensive Economic Partnership (RCEP), giving full play to our role as the bridge between the Mainland and the rest of the world.

13. The Government will continue to trawl for talents and retain talents. We will also nurture local talents, strengthen labour training and enhance the productivity of our workers. The Government will step up efforts to promote tourism development, boost local consumption and improve the liquidity and investment sentiment of the asset markets, creating a wealth effect and propelling economic growth. We will continue to be proactive in competing for enterprises, attracting companies and investment to Hong Kong, diversifying our economy and supporting small and medium enterprises (SMEs).

14. We will reinforce the strengths of such traditional sectors as finance, trading, logistics, shipping and professional services. We will, as well, explore new growth potential with industry-oriented approach, developing such emerging strategic areas as innovation and technology (I&T), creative industries, pharmaceutical research and development (R&D), Chinese medicine and new energy transport.

15. In the medium to long term, the Government will reinforce Hong Kong's competitive edge, with the Northern Metropolis as the new engine for growth and the industry-oriented approach as our policy priority. We will boost the economy and drive growth through infrastructural creation, moving ahead with land and transport development projects to expand Hong Kong's economic capacity.

16. President Xi Jinping, speaking last year at the 25th anniversary of the Hong Kong SAR, put forward "four musts" and "four proposals" for this administration, and said that "Hong Kong will prosper only when its young people thrive". I will continue to take heed of his advice as the basis of my governance blueprint. This will, I am confident, lead Hong Kong to new heights as an economy and a community.

(To be continued.)