

Speech by CE at reception for 21st anniversary of establishment of HKSAR (with video)

Following is the translation of the speech by the Chief Executive, Mrs Carrie Lam, at the reception for the 21st anniversary of the establishment of the Hong Kong Special Administrative Region at the Hong Kong Convention and Exhibition Centre this morning (July 1):

Distinguished guests, fellow citizens,

It is with gratitude that I join you here today to celebrate the 21st anniversary of the establishment of the Hong Kong Special Administrative Region (SAR) of the People's Republic of China.

A year ago, President Xi Jinping visited Hong Kong to grace our celebration of the 20th anniversary of Hong Kong's return to the Motherland with his presence, and administered the oath of office for me and the Principal Officials of the fifth-term Government. During his three-day visit, President Xi expressed cordial care for Hong Kong and gave four imperatives (Note 1), which has created the exceptionally favourable ground for the current-term Government to govern Hong Kong in accordance with the law, assume a proactive role, develop the economy and improve people's livelihood.

During the past year, the SAR Government upheld the principle of "One Country" by maintaining an absolutely clear stance when it comes to black and white issues and showing no tolerance for any act that would hit our country's bottom line. Without fear, we took right actions over our relationship with the Central People's Government, and enhanced the public's understanding of the Constitution, the Basic Law, as well as national security. Meanwhile, we made good use of the advantage of "Two Systems". With the staunch support of our country, we actively participated in the Belt and Road Initiative (Note 2) and planned for the Guangdong-Hong Kong-Macao Bay Area in collaboration with the Guangdong and Macao governments. I for my part conducted frequent duty visits (Note 3) to strengthen Hong Kong's external ties and promote Hong Kong's international status.

In my speech at the Inauguration Ceremony on July 1 last year, I said that "hope propels a society forward, and confidence is the foundation of hope." To be even clearer, I said that we had no reason to lose confidence if we looked closely and rationally at what we had achieved over the past two decades since our return to the Motherland. After a year of leading the Government to demonstrate a new style of governance, perform new roles and implement a new fiscal philosophy, I have even greater confidence in Hong Kong. As long as we remain focused and stand united, I am sure that the best is yet to come for Hong Kong.

Over the past year, Hong Kong enjoyed robust economic growth, with a 3.8 per cent increase in real Gross Domestic Product (GDP) in 2017 being followed by an even higher 4.7 per cent in the first quarter of 2018. All economic indicators in the last couple of months showed that our economic performance remained impressive. While total employment continued to record sturdy growth, the unemployment rate dropped to a 20-year low of 2.8 per cent and people's earnings registered real improvements in general. Hong Kong has also remained one of the safest cities in the world, with the overall crime rate down by 8.2 per cent year-on-year in the first four months of 2018, a new low since 1971.

Economic growth provides us with the necessary resources for the continuous improvement of people's livelihood. The first budget of the current-term Government has allowed for a total expenditure of \$569.6 billion, accounting for 20.2 per cent of GDP and representing a significant year-on-year increase of 12.3 per cent in recurrent expenditure. The provision will enable the steady and sustainable delivery of our work in improving the teaching and learning environment, relieving the pressure on public hospitals, and increasing the provision of elderly care and child care services.

Housing remains our number one social concern. The housing policy measures I announced two days ago cannot immediately increase housing supply, or effectively curb the rise in property prices. However, they demonstrate the SAR Government's political determination and innovative thinking. We hope that as a result, public discussion on land supply can be more focused, and citizens can expect that increasing land supply will offer opportunities for purchasing affordable homes and shorten the waiting time for improving their living conditions.

Allow me to quote from a Chinese poem: "Slipping into the night with the breeze, the rain moistens everything in silence". It aptly describes the "we care", "we listen" and "we act" approach sincerely adopted by the current-term Government, which has brought about relative stability in society, restored room for rational discussion rather than personal attacks in the Legislative Council, and rebuilt public trust in the Government. We have also adopted specific policies and measures to provide young people with more opportunities so that they can take up internships in the Mainland for deeper understanding of our national developments and participate in the SAR's affairs.

For quite a period of time, I always heard people describing this term of Government as having "a good start". The good start is in fact strongly supported by the Central Government and underpinned by mutual respect and understanding, as well as joint efforts of different sectors. To sustain the situation, we must never forget our aspiration for the full and faithful implementation of "One Country, Two Systems"; we must maintain our confidence in the rule of law and unique advantages of the SAR; and we must keep our patience in nurturing young people into a new generation with a sense of national identity, an affection for Hong Kong and an international perspective, who are also passionate about and committed to the well-being of

our community.

May all of you have a happy festive day!

Notes:

1. President Xi Jinping has pointed out that, for better implementation of "One Country, Two Systems" in future, (1) it is imperative to have a correct understanding of the relationship between "One Country" and "Two Systems"; (2) it is imperative to always act in accordance with the Constitution and the Basic Law; (3) it is imperative to always focus on development as the top priority; and (4) it is imperative to always maintain a harmonious and stable social environment.

2. In December 2017, the SAR Government and the National Development and Reform Commission (NDRC) signed the Arrangement between the NDRC and the Government of the Hong Kong SAR for Advancing Hong Kong's Full Participation in and Contribution to the Belt and Road Initiative. The first Belt and Road Joint Conference was held in Beijing in June 2018. On February 3, 2018, the SAR Government held a seminar entitled "Strategies and Opportunities under the Belt and Road Initiative – Leveraging Hong Kong's Advantages, Meeting the Country's Needs" in conjunction with the Belt and Road General Chamber of Commerce at the Great Hall of the People in Beijing. The seminar received strong support from the Central People's Government and was attended by around 380 representatives from over 170 state-owned enterprises and central enterprises. On June 28, 2018, the SAR Government held the Third Belt and Road Summit in partnership with the Hong Kong Trade Development Council. The Summit was attended by about 5 000 delegates from 55 countries and regions. In November 2017, the SAR Government signed a Free Trade Agreement and a related Investment Agreement with the 10 member states of the Association of Southeast Asian Nations (ASEAN), which are also along the Belt and Road. Moreover, the SAR Government has been advancing the establishment of the third Hong Kong Economic and Trade Office in ASEAN in Bangkok, Thailand.

3. Since assuming office on July 1, 2017, the Chief Executive has conducted 22 duty visits, including nine visits to Singapore, Thailand, Vietnam, Myanmar, Indonesia, the United Kingdom, France, Belgium, Switzerland and Saudi Arabia and 13 visits to Beijing, Tianjin, Shanghai, Hangzhou, Changsha, Chengdu, Boao, as well as Guangzhou, Huizhou, Shenzhen, Zhongshan, Zhuhai and Macao in the Guangdong-Hong Kong-Macao Bay Area.