

Transcript of CE's press conference on "The Chief Executive's 2018 Policy Address"

Following is the transcript of remarks by the Chief Executive, Mrs Carrie Lam, at the press conference on "The Chief Executive's 2018 Policy Address" at Central Government Offices, Tamar, this afternoon (October 10):

Reporter: Hello, Mrs Lam, my question is on universal suffrage. Actually, in last year you said you would do your best to create a favourable social atmosphere for taking forward the political reform, but that line was taken out this year. So is it fair to say that you are giving up this job? And actually, some like Jasper Tsang have suggested that you could link this job with the legislation of Article 23. Do you think it is feasible? Thank you.

Chief Executive: I have not taken out that line or that paragraph. It's in paragraph 34. In the English version of the Policy Address, I said, "On the work to effect the selection of the Chief Executive by universal suffrage, my stance remains the same as last year. I understand the aspirations of the community, in particular our young people, for selecting the Chief Executive through 'One Person, One Vote'. Yet, I cannot ignore the reality and rashly embark on political reform again as this will divert the attention of our society from development. The HKSAR Government will act prudently in this respect." In short, my position remains more or less the same. I will still try to create the necessary environment for us to undertake this highly contentious subject, but as you can see, it's not always possible for the Chief Executive to attain that objective.

Reporter: Mrs Lam, so the Lantau Tomorrow scheme, it costs \$500 billion according to sources, which is already half of Hong Kong's financial reserve, but you have so many other options such as the Fanling Golf Course, but you didn't pick it, instead you picked this ultra-expensive scheme, and the original plan of 1,000 hectares is already facing so many criticisms but you even choose to expand the scale. So, are you afraid that people will blame you for being the enemy of the people? And secondly, regarding the economic perspective, the trade war is exacerbating, and are you prepared for impacts that the United States may quote the incident of Victor Mallet as a reason to cancel the Hong Kong Act, so that Hong Kong will also face the sanctions that Mainland China is facing? Thank you.

Chief Executive: Well, first of all, as I said, we do not yet have a cost figure on the Lantau Tomorrow, but no doubt it will be expensive. Thirty years ago when the then Government suggested to launch the Rose Garden – the airport and port programme – it was also very expensive, especially at that time the Government did not have very strong fiscal reserves. So, it is really, in my view, quite narrow-minded to try to avoid doing things because it is expensive. We need to ask ourselves whether that will provide a long-

term supply of housing and land to meet the long-term social and development needs of the people of Hong Kong. With that objective in mind, I really don't think people could blame me as an enemy of the people. I could go for the populist route and not do this sort of controversial things but that's not good for the people, especially the younger generation who wants to see hope in living in Hong Kong. And also, the \$500 billion, even by your source of information, is not to be spent within a year or two years or three years. We are now forecasting that the first population intake will be 2032, so it is 14 years down the road. So, like all infrastructure, the money is spent over a long period to meet the needs of these infrastructure.

As far as the trade tension or the trade war that you have asked about, we have already raised our objection, because Hong Kong is a staunch supporter of free trade and open trade. We are a founding member of the World Trade Organization, so for the American government to impose sanctions on us – they have already imposed some sanctions on us on aluminium – we don't feel it is fair so we have already raised our objection. But for another government to relate this together with something which is more political in nature is even more untenable, and I must make it clear that trade is beneficial to both sides, trade and investment are beneficial to both sides, not only to Hong Kong but to the other country, and by the way you should know that the economy that provides the largest trade surplus for America is Hong Kong. So when America is so concerned about trade deficit, the largest trade surplus they have all over the world is Hong Kong. I told President Trump when I met him in APEC last year, and he said that he was quite pleased with that. So, as I said, it would be untenable and unfair to try to threaten us with that sort of languages.

Reporter: Why not the Fanling Golf Course?

Chief Executive: The Fanling Golf Course is a subject that is controversial and will be looked at and deliberated in the land supply task force, and I will await the report, but if you look at the scale it is not of the same proportion.

Reporter: The British Foreign Secretary has called the decision to reject a visa for Victor Mallet politically motivated, saying it undermines freedom of press and expression in Hong Kong. I'm curious what your reaction to that criticism would be. And also, the decision to ban the Hong Kong National Party. You said you wouldn't tolerate advocating independence for Hong Kong. Was that decision, did that originate from you, Mrs Lam, or did it come from the Central Government of China?

Chief Executive: Well, on the second question first, as I have explained to several questions, the action taken by the Secretary for Security under the Societies Ordinance is still in the process, although he has made a decision which then made this Hong Kong National Party an illegal society but the group could appeal, and the next appeal mechanism involves myself, because he would appeal to the Chief Executive-in-Council. So I cannot comment any more on this particular incident.

About the British Foreign Secretary's comments, as you know, the FCO, the Foreign and Commonwealth Office, despite reunification for 21 years they are still producing every six months the FCO report on Hong Kong SAR. In every report I am sure there will be some criticism one way or the other, so we will have to explain that some of the criticisms are not justified. I was supposed to meet with Jeremy Hunt when he promised to come to Hong Kong after Boris Johnson. He did not, so I look forward to my next meeting with the Foreign Secretary.

Reporter: Regarding the artificial land off Lantau Island, how did the Government come up to an increase of size of it from 1,000 to 1,700 hectares, and is it more of an initiative to have better ties with Greater Bay Area cities than to provide housing to Hong Kong people? And secondly, regarding national security, when you say you'll fearlessly take action against Hong Kong independence, does that mean that the enactment of Article 23 will come sooner than you have earlier expected? And do you think the Hong Kong reputation of having a high degree of autonomy has been hampered by the controversy surrounding Mr Victor Mallet? Thank you.

Chief Executive: Well, first of all, I never had a timetable for enacting local legislation on Basic Law Article 23, so there's no question of either advancing or delaying this piece of important constitutional work. Secondly is about Lantau Tomorrow. The 1,700 hectares of course is the work of my engineering colleagues, but it is still subject to further investigation. The increase in the size of reclamation is entirely to meet the needs of Hong Kong, Hong Kong people, for living and also the development of Hong Kong's economy. But of course the development of Hong Kong's economy will benefit from this Guangdong-Hong Kong-Macao Greater Bay Area, and this particular location is very strategically located to interact with the Greater Bay Area because of the bridge connecting Hong Kong to Macao and the western part of Guangdong Province.

Hong Kong will do all she could do, including myself, to defend Hong Kong's international reputation, and we have been doing that on a continuous basis, but from time to time it is not entirely within our control on how some overseas institutions or overseas media portray Hong Kong. It is my duty to ensure that the Hong Kong success under "One Country, Two Systems" is being fully understood.

Reporter: You were saying in your Policy Address that the SAR Government has upheld the "One Country" principle and will tolerate no acts that threaten the national security. So, what would be regarded as challenging the "One Country" principle and how would you describe Hong Kong people's social awareness on safeguarding the national security after the Government has done a lot to reinforce the understanding of the constitution and Basic Law?

Chief Executive: I have said in my Policy Address that while it is our constitutional duty to enact local legislation and put it into effect Basic Law Article 23 to safeguard national security and so on, it is also our duty to promote the understanding of the constitution, the Basic Law and national security. We have been doing this in the past year or so through seminars,

conferences and other educational efforts. It is difficult to assess the impact of all those educational work, but we will continue to do so.

(Please also refer to the Chinese portion of the transcript.)