

## Transcript of remarks by CE at media session (with photo/video)

Following is the transcript of remarks by the Chief Executive, Mrs Carrie Lam, at a media session today (October 12):

Reporter: Mrs Lam, actually since 1997, every Policy Address touched on cross-border issues and would require cross-border talks, so can you clarify why you decided to postpone the Policy Address even before you were told to go to Shenzhen? Or was your meeting with President Xi Jinping the real reason why you have to postpone the Policy Address? Secondly, the Policy Address was supposed to be one of the biggest events in Hong Kong of the year, but last year you became Hong Kong's first top official to deliver the address online and this year you will be the first to postpone it at the eleventh hour. So was it really an embarrassment for you and Hong Kong, which shows that the Policy Address really doesn't matter anymore and in the eyes of the Central Government officials, Shenzhen or its 40th anniversary which actually took place in August 26 was actually more important than Hong Kong, its Policy Address and its people's livelihood and concerns?

Chief Executive: There are a few points in your questions that I may wish to clarify. First of all, the Policy Address of the Chief Executive is a very important event. It is exactly because it is a very important event, I hope very much to be able to use the 2020 Policy Address to instill more confidence amongst Hong Kong people, because Hong Kong has gone through a very, very difficult year with the social unrest, the COVID-19 epidemic and also some international sanctions. I've been working on this Policy Address with that very objective in mind knowing that it is of huge significance. That's why I have been putting forward proposals for the Central People's Government to consider and they have responded positively lately. There is absolutely no arbitrary delay. They have responded very positively lately with the suggestion that since the proposals from the Chief Executive encompass a range of subjects and some of them need further discussion, the best way forward is for the Chief Executive to go to Beijing and personally explain why these measures are important for Hong Kong so that they could feature in the Policy Address for the purpose that I have just described to you.

Let me clarify again that the Policy Address is a very important event. There is absolutely no intention on my part to belittle my own Policy Address. Last year's delivery was not of my making. I did make attempt, I think it is more than one attempt, to deliver my Policy Address in the Legislative Council Chamber but I was being prohibited from doing so. But I still find it necessary to deliver a Policy Address for the general public, so it was done through a video recording.

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You mentioned about "real reason". I have already given you the real reason why I need to delay this Policy Address, maybe to the end of November.

I also need to clarify because you mentioned about a meeting with President Xi Jinping. I have no scheduled meeting with President Xi during his visit to Shenzhen. My only purpose of going to Shenzhen is – upon invitation, I'm leading a Hong Kong SAR Government delegation to participate or to attend the celebration event on October 14. The main purpose of the postponement is because of the possibility of positive things and policies coming out from my discussions with the Central People's Government, the various ministries and commissions. That's the main purpose. Thank you.

Reporter: Hi, Mrs Lam, you said that it may be better in terms of boosting people's confidence to wait for you to attend the ministerial meetings in Beijing later this month. Are you saying that the Hong Kong SAR Government alone is unable to boost people's confidence, especially in the economic recovery? My second question is, does this mean that the SAR Government really has to wait for the Beijing directions or the ministerial or different departments' discussions until you can introduce policies that can help the Hong Kong economy? Is there nothing that the SAR Government alone can do, especially on the livelihood matters, to help people regain trust? Thank you.

Chief Executive: I'll answer the last part – your comment about livelihood issues. Of course, livelihood issues are entirely within the purview of the Hong Kong SAR Government. My practice and my habit is I would not deliberately withhold livelihood improvement measures for the Policy Address. I truly believe when the Government is ready, in terms of policy execution and resources, then we should disclose those livelihood issues to the community as early as possible so that the people could actually benefit earlier than waiting for the Chief Executive's occasion of delivering a Policy Address.

I can give you at least two examples. In June 2018, I announced a series of very bold measures on the housing side. One would expect that the Chief Executive could withhold these measures so that the Policy Address will be more popular, but I did not. In June 2018, I announced several housing policy issues including the delinking of the sale price of the subsidised housing from the private market pricing so that prospective owners could buy their flats cheaper than the previous practice. I also announced measures about transitional housing and other measures. In January this year, I announced another package of livelihood issues without waiting for the Policy Address. You can be assured that if we still have livelihood issues or livelihood improvement issues, I would ask my responsible Principal Officials to announce them as soon as they are ready. For example, about increasing the number of statutory holidays to be on par with the public holidays, the Secretary for Labour and Welfare will shortly initiate the process in consulting the Labour Advisory Board in order to take that forward as soon as possible.

Coming back to the other two questions, Hong Kong is a very externally oriented economy, so our economic recovery will have to take account of what's happening in the outside world. As you will realise, many of our conventional trading partners in America, in Western Europe, are still struggling with COVID-19 pandemic. I cannot see an early recovery in those

economies, whereas in the Mainland of China, because they have controlled the epidemic in a very effective way, the economy has already rebounded, as we have seen from the quarter two figures and likely in the third quarter figures. Hong Kong's economy is always closely related to the Mainland economy. For the last 40 years, when the country pursued reform and opening up, Hong Kong enterprises were the first to go into the Mainland to invest, and when the Mainland economy continues to open up, Hong Kong plays a very effective role of being the connector, that is we connect Mainland enterprises with the rest of the world. It is an indisputable fact that Hong Kong's economic growth is very related to what we are going to do in our work with the Mainland economy, and there are several measures that I have proposed for the Central Government to consider, which I believe will give our economic activities a certain degree of boost. This is the current situation.

I don't quite understand what do you mean by waiting for directions. Of course, I could proceed with a Policy Address which will not give people much confidence if the economy side is not as robust as it could be if there were more supportive measures from the Central People's Government, so it is not a matter of waiting for directions. It is a matter of responding to a positive indication from the Central Government that they have taken full account of the Chief Executive's recommendations that they really want to facilitate those policy measures so that Hong Kong people could have more confidence, the economy could bounce back earlier. This is a very good opportunity that no Chief Executive would forgo. That's why I'm making this trip to Beijing towards the end of this month, and hopefully will achieve certain progress in some of those measures.

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

