
Policy Agenda

Introduction

In his last Policy Address entitled *A New Direction for Hong Kong*, the Chief Executive outlined the blueprint for Hong Kong's development in the next five years. He advocated the concept of "Progressive Development" and embarked on ten major infrastructure projects to promote economic development and create employment opportunities. While pursuing dynamic economic development, equal emphasis is also put on the benefits for the environment, culture and society.

Most projects have made good progress and are expected to commence as scheduled. It is particularly encouraging to see the approval of the bill and funding for the West Kowloon Cultural District project and the significant progress made on the Hong Kong-Zhuhai-Macao Bridge.

In terms of constitutional development, the Hong Kong Special Administrative Region (HKSAR) Government has made significant progress. The Decision adopted by the Standing Committee of the National People's Congress has made it clear that the election of the HKSAR Chief Executive may be implemented by universal suffrage in 2017. The Decision has also made it clear that after the Chief Executive is selected by universal suffrage, the election of the Legislative Council may also be implemented by universal suffrage. That is, after the election of the Chief Executive is implemented by the method of universal suffrage in 2017, the Legislative Council may also be elected by universal suffrage in 2020. The Decision is well received by the community.

With the blueprint for Hong Kong's development being rolled out, we will henceforth concentrate on enhancing people-based governance.

As global commodity prices soar, inflation becomes our primary concern. The Government has adopted a multi-pronged approach to ease the pressure. Relief measures were announced in the 2008-09 Budget followed by a \$11-billion worth package in July. But inflation is expected to persist in the coming year. The Government will continue to explore various measures to alleviate the inflationary pressure on the disadvantaged, thereby building a caring society. Another major challenge is to maintain Hong Kong's competitiveness. In response to global competition, Hong Kong needs to adopt a strategy of promoting closer economic integration with the Mainland. As part of the Greater Pearl River Delta economic region, Hong Kong should strengthen co-operation with Guangdong in earnest to compete in the world arena. To achieve this, we must maintain our position as an international financial centre, improve the business environment, and upgrade the quality of human capital as well as living environment.

Hong Kong is moving in the right direction, though we may face various challenges on our way. But with clear objectives, confidence and unwavering determination, Hong Kong will overcome all obstacles and rise to a new level of development.