
Policy Agenda

Introduction

Since the onset of the financial tsunami, we have been closely watching developments in the global economy and have implemented our strategy of “stabilising the financial system, supporting enterprises and preserving employment”. In last year’s Policy Address and this year’s Budget, we proposed the development of six industries where Hong Kong enjoys clear advantages as well as other measures to consolidate economic recovery and help Hong Kong people tide over the difficulties.

Hong Kong has coped reasonably well with the effects of the global financial crisis, and the situation has now stabilised. Nonetheless, we must remain vigilant since Hong Kong is still vulnerable to changes in the external environment. We need to make an all-out effort to promote the development of a diversified economy, while building on the strengths of our pillar industries and enhancing Hong Kong’s competitiveness.

We believe that sustained economic growth can help resolve social conflicts and safeguard people’s livelihood. During the summer, we finally made substantive progress in rolling forward democracy and moved towards universal suffrage. The proposed package for the 2012 elections was passed by the Legislative Council, given consent by the Chief Executive and endorsed by the Standing Committee of the National People’s Congress (NPCSC). This consensus on constitutional

development is very precious. We treasure this opportunity and will make every effort to create a more harmonious political environment. Our hope is that different sectors of the community can direct more of our efforts on economic development, as well as social and livelihood issues.

This year, our policies will focus on those livelihood issues of principal concern to the community, including housing, the ageing population and the wealth gap.

An ageing population and a widening wealth gap are challenges commonly faced by governments of advanced economies.

In Hong Kong, the baby-boomer generation will soon start to retire. The ageing population is already putting a strain on our public healthcare and social welfare systems. We need new thinking to deal with this issue.

The wealth gap is another major challenge. We have started to forge consensus in the community on measures to alleviate the problems facing grassroots families and the working poor. Legislating for a minimum wage is a good start.

On housing, our primary task is to identify the Government's role in assisting members of the community to purchase homes.

Hong Kong is back on the track of development in various spheres. A number of major infrastructure projects initiated in the current term of this Government are being taken forward in stages to provide opportunities for all sectors of the community. Meanwhile, our country, which has maintained steady economic development in the face of the financial tsunami, provides strong backing for Hong Kong.

We will actively complement the preparation of the National 12th Five-Year Plan and use our advantages under “One Country, Two Systems” to create a better future jointly with our country.

Hong Kong has weathered the economic storm and emerged from recession. The challenge ahead is to chart new directions for our economy. All the people of Hong Kong must rise to the challenge and we will scale new heights together!