

Special FC Meeting of LegCo on 31 March 2008

Speaking Points for SCED

- The Budget has included many matters within the policy area of commerce and industry.
- To set out the progress and content of key policies.

Assistance to Hong Kong Enterprises Operating in the Mainland

- Last year, the Mainland has introduced a number of new policies and legislation which affect Hong Kong enterprises operating in the Mainland.
- The Government understands the concerns of Hong Kong enterprises. We will continue our close liaison with the trade and Mainland authorities with a view to reflecting the views of the trade and assisting enterprises to adapt to new policies and legislation. However, I wish to emphasize that upgrading, restructuring and relocation are national policies. Hong Kong enterprises should take proactive steps to accommodate.
- We have taken actions to assist Hong Kong enterprises. These include :
 - establishing relevant task forces to enhance communication;
 - leading the trade to visit the central and western regions, such as

Chenzhou of Hunan and Ganzhou of Jiangxi, with a view to assisting them to study the feasibility of relocating their enterprises; and

- through close liaison with the trade and Mainland authorities, securing a stable supply of flour to Hong Kong from the Mainland, and clarifying issues relating to tariff exemption, etc.

Facilitate Development of Wine-related Business

- We are making good preparations for the duty reduction on wine, including :
 - rendering assistance to LegCo in its scrutiny and passage of the related legislative amendment bills;
 - synchronizing the work in different areas, such as trade development, inward investment and tourism, etc, to facilitate the development of wine-related business; and
 - examining with the industry possible facilitation measures in areas such as manpower training and storage facilities.
- Our objective is not only to benefit the consumers, but also to give Hong Kong added room to capitalize on the growing wine market in the region, particularly demands from the Mainland.

Competition Law

- The Government is determined to maintain a free and competitive business environment. As regards the introduction of the cross-sector competition, we will issue a detailed consultation paper in April, so that stakeholders can better understand the likely content and impact of the law.
- We will carefully consider feedback on these proposals before introducing a draft Bill in the 2008-09 legislative session.

Protection of Consumer Interest

- To enhance consumer protection, we have earlier introduced the Trade Descriptions (Amendment) Bill into the Legislative Council to combat false and misleading trade descriptions. We hope the Amendment Bill can be enacted soon.
- The Consumer Council has just submitted a report on the review of consumer protection legislation. The key recommendations include introducing a new statute to tackle undesirable trade practices.
- We are examining the recommendations in detail. We will then consult the public and decide on the way forward.

Additional Allocation for Development of MICE Tourism

- In the 2008-09 Budget, the Financial Secretary has earmarked an additional \$150 million to step up efforts in promoting Hong Kong as an international convention and exhibition capital. We will seek to host more mega international conventions and exhibitions.
- Hong Kong Tourism Board (HKTB) has accumulated valuable experience and developed extensive networks in attracting MICE events to Hong Kong. In 2008-09, we therefore propose to allocate an additional \$30 million to HKTB for providing one-stop professional support for MICE events.
- The HKTB briefed the LegCo Panel on Commerce and Industry on 18 March on its promotion strategies on this front.