

(Translation)

**Motion on  
“Promoting social enterprises”  
moved by Hon CHAN Yuen-han  
at the Legislative Council meeting  
of Wednesday, 5 December 2007**

**Motion as amended by Hon Frederick FUNG Kin-kee and Hon Mrs Sophie LEUNG LAU Yau-fun**

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“That, as the mission of social enterprises is to pursue both social and economic objectives, and social objectives may include various aspects such as environmental protection, cultural education and facilitating employment, etc; and although the unemployment rate has gradually come down, elementary workers still face the plight of low wages, long working hours and even difficulties in securing employment; to alleviate the hardship of elementary workers and narrow the gap between the rich and the poor, this Council urges the Government to formulate the following policies to promote the development of social enterprises as one of the policies to facilitate and improve employment:

- (a) establishing a high-level cross-bureau task force to formulate overall strategies for developing social enterprises;
- (b) making rules and regulations on social enterprises to clarify the definition of such enterprises, and at the same time encouraging social enterprises to employ a certain proportion of unemployed persons and people with disabilities in the light of their modes of operation;
- (c) enhancing the awareness of the business sector about social enterprises and encouraging the sector to make use of their professional knowledge to participate in the development of social enterprises, and at the same time enhancing public awareness about social enterprises in order to remove their misunderstanding that social enterprises will lead to unfair competition;
- (d) introducing more social enterprises in areas where the poverty problem is more serious, such as Sham Shui Po and Tin Shui Wai, etc, so as to increase employment opportunities in these districts;
- (e) providing various financing channels for social enterprises, including setting up a public or private seed fund and encouraging financial institutions to offer low-interest loans, etc;
- (f) providing loan guarantee and setting up marketing, training and development funds, etc, for social enterprises, with reference to the modes of the funding schemes implemented by the Government for small and medium enterprises;

- (g) providing a profits tax exemption period for and offering profits tax concession to newly established social enterprises, as well as offering further tax concession to social enterprises which employ a certain proportion of unemployed persons and people with disabilities;
- (h) establishing a social enterprises operation support centre to provide free business information, consultation and support services on the setting up and operation of business as well as market news, etc;
- (i) the Government and private organizations providing shops, properties and venues with rent exemption/concession to social enterprises; and
- (j) lowering the tender threshold for social enterprises and reserving a certain percentage of the procurement of government goods and services for social enterprises, in order to provide room for the development of such enterprises; and
- (k) promoting cross-sector collaboration and developing a platform for participation in different aspects, as well as facilitating the establishment of partnership, so that various sectors can expand the scope for collaboration among social enterprises in a complementary and mutually beneficial environment;
- (l) establishing the value and raising public awareness of social enterprises through publicity and education programmes in schools and the community;
- (m) eliminating administrative and policy barriers which may hinder the development of social enterprises, so as to create an environment conducive to the growth of such enterprises; and
- (n) breaking away from the confines of the pure social work sector by encouraging and embracing the participation of willing and capable talents from the business sector, so that social enterprises can possess such management elements as professionalism and market sensitivity.”