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# 立法會秘書處

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## Legislative Council Secretariat

### 新聞稿 Press Release

LegCo to debate alleviating the burden of fuel costs on the public and relevant trades

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The Legislative Council will hold a meeting this Wednesday (November 12) at 11 am in the Chamber of the Legislative Council Building. During the meeting, Members will debate a motion on alleviating the burden of fuel costs on the public and relevant trades.

The motion, to be proposed by Hon Miriam LAU, says: "That, as the drop in international oil prices has accelerated recently, yet the local fuel retail prices have only been reduced to a limited extent, resulting in fuel prices remaining persistently high, which causes people to query whether oil companies are "quick in raising prices but slow in reducing them" and engaging in "price cheating"; in order to safeguard the interests of the public and relevant trades, and to alleviate their burden of fuel costs, this Council urges the Government to:

(a) press oil companies to immediately reduce the local fuel prices according to the level of reductions in international oil prices;

(b) introduce a fair competition law to enhance the monitoring and effective regulation of the auto-fuel market, so as to prevent market monopoly and ensure that fuel retail prices are fair and reasonable;

(c) request oil companies to re-introduce petrol of 95 octane rating, so as to provide more choices for consumers and reduce

their unnecessary burden;

(d) strive to explore more supply sources of processed oil to enable real competition in the market;

(e) publish more detailed data on the prices of international oil products and the import prices of local oil products, so that the public can more effectively monitor the changes in oil prices;

(f) actively consider implementing the introduction of price regulation in the tendering of petrol filling station sites; and

(g) reduce the duty on unleaded petrol to alleviate the burden on car owners."

Hon CHAN Hak-kan, Hon WONG Kwok-hing and Hon Fred LI will move separate amendments to Hon Miriam LAU's motion.

Members will debate another motion on supporting small and medium enterprises to tide over the financial tsunami. The motion, to be proposed by Hon Vincent FANG, says: "That, being struck by the global financial tsunami, many small and medium enterprises (SMEs) and small shop operators in Hong Kong have to face diminishing consumers' confidence and shrinking business turnover, as well as the banks' recent substantial tightening of credit and delayed reimbursement of payment for customers' purchases, resulting in many SMEs and small shop operators which have been operating soundly and steadily being pushed to the brink of collapse; and in particular, for those non-exporting local consumption industries not supported by government policy, including the wholesale, retail, catering and service industries which employ over 1.2 million of the local workforce, should they close down because of the banks' tightening of credit, a severe domino effect will definitely be triggered; hence this Council urges the Government to provide SMEs with more appropriate support, so as to enable them to tide over this difficult period; and the relevant measures should include:

(a) establishing an inter-departmental task force on sustainable development for supporting SMEs and revitalizing the economy to take charge of the study and implementation of policies on supporting SMEs, as well as the formulation of measures to stimulate the economy, so as to enable SMEs to sustain their business;

(b) in addition to the existing 'SME Funding Schemes' which primarily aim at supporting export enterprises, formulating long-term plans to support the development of the industries engaging in local consumption, including the wholesale, retail, catering and service industries;

(c) strengthening the liaison between the Government and the banks with a view to encouraging the banks to provide robust credit facilities and credit card payment services to enterprises which have been operating soundly and steadily, so that they can continue their operation;

(d) providing guarantee for SMEs' trust receipts and accounts receivables by the Government, so as to enable them to continue utilizing the relevant financing arrangements;

(e) increasing the loan guarantee provided by the Government under the "SME Loan Guarantee Scheme" from the current 50% to 70% or above;

(f) extending the insurance coverage of the Hong Kong Export Credit Insurance Corporation to include local sales enterprises;

(g) waiving the rentals of all food markets, government markets and shopping arcades for one quarter and waiving the hawkers' licence fees for one year to reduce the operational expenses of staple food operators, so as to curb inflation; and

(h) holding over SMEs' provisional payment of profits tax for one year."

Hon James TO, Hon CHAN Tanya, Hon WONG Ting-kwong and Hon

Jeffrey LAM will move separate amendments to Hon Vincent FANG's motion.

Meanwhile, Members will also debate a proposed resolution under the Legislative Council (Powers and Privileges) Ordinance. The motion, to be moved by Ir Dr Hon Raymond HO, says: "That the Subcommittee to Study Issues Arising from Lehman Brothers-related Minibonds and Structured Financial Products be authorized under section 9(2) of the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) to exercise the powers conferred by section 9(1) of the Ordinance for the purpose of studying issues arising from Lehman Brothers-related minibonds and structured financial products and making recommendations where necessary."

During the meeting, Members will also ask the Administration 20 questions on various policy areas, six of which require oral replies.

The agenda of the above meeting can be obtained via the Legislative Council InfoFax Service (Tel: 2869 9568) or the Legislative Council web site (<http://www.legco.gov.hk>).

Members of the public are welcome to observe the proceedings of the meeting from the public galleries of the Legislative Council Chamber. They may reserve seats by calling 2869 9399 during office hours. Seats will be allocated on a first-come-first-served basis. Members of the public can also listen to the meeting via the audio webcast system on the Legislative Council homepage.

Ends/Monday, November 10, 2008

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