

**立法會**  
**Legislative Council**

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From : Clerk to the Legislative Council

To : All Members of the Legislative Council

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**Council meeting of 22 June 2011**

**Proposed amendments to motion on  
“Safeguarding the room for business and development  
of small and medium enterprises”**

Further to LC Paper No. CB(3) 871/10-11 issued on 10 June 2011, five Members (Hon WONG Ting-kwong, Hon CHAN Wai-yip, Hon Ronny TONG Ka-wah, Hon WONG Yuk-man and Hon Fred LI Wah-ming) have respectively given notices of their intention to move separate amendments to Dr Hon LAM Tai-fai’s motion on “Safeguarding the room for business and development of small and medium enterprises” scheduled for the Council meeting of 22 June 2011. As directed by the President, the respective proposed amendments will be printed in the terms in which they were handed in on the Agenda of the Council.

2. The President will order a joint debate on the above motion and amendments. To assist Members in debating the motion and amendments, I set out below the procedure to be followed during the debate:

- (a) the President calls upon Dr Hon LAM Tai-fai to speak and move his motion;
- (b) the President proposes the question on Dr Hon LAM Tai-fai’s motion;
- (c) the President calls upon the five Members, who intend to move amendments, to speak in the following order, but no amendment is to be moved at this stage:

- (i) Hon WONG Ting-kwong;
  - (ii) Hon CHAN Wai-yip;
  - (iii) Hon Ronny TONG;
  - (iv) Hon WONG Yuk-man; and
  - (v) Hon Fred LI;
- (d) the President calls upon the designated public officer(s) to speak;
  - (e) the President invites other Members to speak;
  - (f) the President gives leave to Dr Hon LAM Tai-fai to speak for the second time on the amendments;
  - (g) the President calls upon the designated public officer(s) again to speak;
  - (h) in accordance with Rule 34(5) of the Rules of Procedure, the President has decided that he will call upon the five Members to move their respective amendments in the order set out in paragraph (c) above. The President invites Hon WONG Ting-kwong to move his amendment to the motion, and forthwith proposes and puts to vote the question on Hon WONG Ting-kwong's amendment;
  - (i) after Hon WONG Ting-kwong's amendment has been voted upon, the President deals with the other four amendments; and
  - (j) after all amendments have been dealt with, the President calls upon Dr Hon LAM Tai-fai to reply. Thereafter, the President puts to vote the question on Dr Hon LAM Tai-fai's motion, or his motion as amended, as the case may be.

3. For Members' ease of reference, the terms of the original motion and of the motion, if amended, are set out in the **Appendix**.

( Mrs Justina LAM )  
for Clerk to the Legislative Council

Encl.

(Translation)

**Motion debate on  
“Safeguarding the room for business and development  
of small and medium enterprises”  
to be held at the Council meeting of 22 June 2011**

**1. Dr Hon LAM Tai-fai’s original motion**

That after the financial tsunami, European and American economies have not yet fully recovered, and market purchasing power has yet to revive, in addition, the US dollar has remained weak, the exchange rates of Renminbi, etc., have kept rising, rents and raw materials prices have continued to soar, causing operating costs to increase substantially and making the business environment of small and medium enterprises (‘SMEs’) very difficult; what SMEs worry more is that if regulatory legislation is enacted in the future, they may easily contravene the law inadvertently, be oppressed by large enterprises bringing private litigations against them, and they need to bear heavy compliance costs and litigation fees, thus dealing a severe blow to their business and development, and producing inestimable negative impact on the overall economic development and employment in society; in this connection, this Council urges that when enacting cross-sector regulatory legislation, the Government should completely exempt SMEs from the scope of regulation, so as to effectively safeguard consumer interests as well as SMEs’ room for development and sustainable competitiveness.

**2. Motion as amended by Hon WONG Ting-kwong**

That *at present small and medium enterprises (‘SMEs’) in Hong Kong face many challenges*; after the financial tsunami, European and American economies have not yet fully recovered, and market purchasing power has yet to revive, in addition, the US dollar has remained weak, the exchange rates of Renminbi, etc., have kept rising, rents and raw materials prices have continued to soar, causing operating costs to increase substantially and making the business environment of ~~small and medium enterprises (‘SMEs’)~~ *SMEs* very difficult; what SMEs worry more is that if regulatory legislation is enacted in the future, they may easily contravene the law inadvertently, be oppressed by large enterprises bringing private litigations against them, and they need to bear heavy compliance costs and litigation fees, thus dealing a severe blow to their

business and development, and producing inestimable negative impact on the overall economic development and employment in society; in this connection, this Council urges that when enacting cross-sector regulatory legislation, the Government should ~~completely exempt SMEs from the scope of regulation~~ ***provide SMEs with appropriate exemptions; at the same time, the Government should also formulate strategies and measures to comprehensively improve the business environment, and through various aspects such as taxation, financing, upgrading and transformation, manpower training, product exploration, research and development, brand development, and continuously developing the local, export and China's domestic sales markets, etc., as well as by capitalizing on the Mainland and Hong Kong Closer Economic Partnership Arrangement and the Framework Agreement on Hong Kong/Guangdong Co-operation, assist SMEs in reducing expenses on operating costs, developing markets and strengthening co-operation between enterprises in the two places,*** so as to effectively safeguard consumer interests as well as SMEs' room for development and sustainable competitiveness.

Note: Hon WONG Ting-kwong's amendment is marked in ***bold and italic type*** or with deletion line.

### **3. Motion as amended by Hon Albert CHAN Wai-yip**

That, ***given that*** after the financial tsunami, European and American economies have not yet fully recovered, and market purchasing power has yet to revive, in addition, the US dollar has remained weak, the exchange rates of Renminbi, etc., have kept rising, rents (***including the rents of public housing shopping arcades under The Link Management Limited***) and raw materials prices have continued to soar, causing operating costs to increase substantially and making the business environment of small and medium enterprises ('SMEs') very difficult; what SMEs worry more is that if regulatory legislation is enacted in the future, they may easily contravene the law inadvertently, be oppressed by large enterprises bringing private litigations against them, and they need to bear heavy compliance costs and litigation fees, thus dealing a severe blow to their business and development, and producing inestimable negative impact on the overall economic development and employment in society; in this connection, this Council urges that when enacting cross-sector regulatory legislation, the Government should completely exempt SMEs from the scope of regulation ***and strive to improve the business environment of SMEs by, for example, considering buying back The Link Real Estate Investment Trust to lower the rents of public housing shopping arcades to reasonable levels,*** so as to effectively safeguard consumer interests as well as SMEs' room for development and sustainable competitiveness.

Note: Hon Albert CHAN Wai-yip's amendment is marked in *bold and italic type*.

#### **4. Motion as amended by Hon Ronny TONG Ka-wah**

That, *given that* after the financial tsunami, European and American economies have not yet fully recovered, and market purchasing power has yet to revive, in addition, the US dollar has remained weak, the exchange rates of Renminbi, etc., have kept rising, rents and raw materials prices have continued to soar, causing operating costs to increase substantially and making the business environment of small and medium enterprises ('SMEs') very difficult; ~~what SMEs worry more is that if regulatory legislation is enacted in the future, they may easily contravene the law inadvertently, be oppressed by large enterprises bringing private litigations against them, and they need to bear heavy compliance costs and litigation fees, thus dealing a severe blow to their business and development, and producing inestimable negative impact on the overall economic development and employment in society; in this connection, this Council urges that when enacting cross-sector regulatory legislation, the Government should completely exempt SMEs from the scope of regulation, so as to,~~ *this Council urges the Government to expeditiously introduce relevant legislation to protect SMEs' competitiveness and safeguard the rights and interests of consumers; regarding SMEs' worries about regulatory legislation, this Council urges the Government to expeditiously promote a competition culture with every effort and explain to SMEs that they should not believe any rumours, so as to allay their concern about regulatory legislation, and effectively safeguard consumer interests as well as SMEs' room for development and sustainable competitiveness.*

Note: Hon Ronny TONG Ka-wah's amendment is marked in *bold and italic type* or with deletion line.

#### **5. Motion as amended by Hon WONG Yuk-man**

That after the financial tsunami, European and American economies have not yet fully recovered, and market purchasing power has yet to revive, in addition, the US dollar has remained weak, the exchange rates of Renminbi, etc., have kept rising, ~~rents and~~ raw materials prices have continued to soar, *and under rampant 'developer hegemony', rents have even been increasing endlessly,* causing operating costs to increase substantially and making the business environment of small and medium enterprises ('SMEs') very difficult; what

SMEs worry more is that if regulatory legislation is enacted in the future, they may easily contravene the law inadvertently, be oppressed by large enterprises bringing private litigations against them, and they need to bear heavy compliance costs and litigation fees, thus dealing a severe blow to their business and development, and producing inestimable negative impact on the overall economic development and employment in society; in this connection, this Council urges that when enacting cross-sector regulatory legislation, the Government should ~~completely~~ ***reasonably and appropriately*** exempt SMEs from the scope of regulation, ~~so as to effectively safeguard consumer interests as well as SMEs' room for development and sustainable competitiveness;~~ ***at the same time, the Government should reform its land policy to prevent people from driving up the rents of offices or shops, so as to give back reasonable room for survival and development to SMEs.***

Note: Hon WONG Yuk-man's amendment is marked in ***bold and italic type*** or with deletion line.

## **6. Motion as amended by Hon Fred LI Wah-ming**

That after the financial tsunami, European and American economies have not yet fully recovered, and market purchasing power has yet to revive, in addition, the US dollar has remained weak, the exchange rates of Renminbi, etc., have kept rising, rents and raw materials prices have continued to soar, causing operating costs to increase substantially and making the business environment of small and medium enterprises ('SMEs') very difficult; what SMEs worry more is that if regulatory legislation is enacted in the future, they may easily contravene the law inadvertently, be oppressed by large enterprises bringing private litigations against them, and they need to bear heavy compliance costs and litigation fees, thus dealing a severe blow to their business and development, and producing inestimable negative impact on the overall economic development and employment in society; in this connection, this Council urges that when enacting cross-sector regulatory legislation, the Government should ~~completely exempt SMEs from the scope of regulation~~ ***comprehensively study and consider SMEs' difficulties and worries***, so as to effectively safeguard consumer interests as well as SMEs' room for development and sustainable competitiveness.

Note: Hon Fred LI Wah-ming's amendment is marked in ***bold and italic type*** or with deletion line.