

(Translation)

**Motion on
“Safeguarding the room for business and development
of small and medium enterprises”
moved by Dr Hon LAM Tai-fai
at the Legislative Council meeting
of Wednesday, 22 June 2011**

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 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.