

Proactive Pragmatic Always People-First



“In the coming year, the top of my policy agenda will be economic development, wealth creation, improving people’s livelihood and enhancing the quality of life, in particular, strengthened support for families and intensified efforts in our anti-pollution strategy.”

Economic Development

“In today’s world, all developed countries are contemplating their economic and trade relations with China. If Hong Kong is to embrace the era of globalisation, our primary task must be to find an appropriately important role in the development of our country.”

Financial services

- Amend the listing rules to enable well-established foreign enterprises to list in Hong Kong
- Prepare to launch new RMB business in Hong Kong, including the settlement of accounts of direct Mainland imports in RMB and issuance of RMB bonds in Hong Kong
- Study development of commodity futures market and seek to attract some of the offshore securities investment business of Mainland insurance agencies



Trade and logistics

- Enter into more economic and trade arrangements with trading partners to gain more favourable access for Hong Kong goods and services



- Introduce multiple entry permits for river trade vessels, streamline procedures and lower fees
- Continue efforts to expand air services network as well as the airport’s air cargo and passenger capacity
- Work with Mainland authorities to enhance cross-boundary cargo flows, e.g. by introducing an express clearance system at new Liaobu inland control point in Dongguan

Innovation and information technology

- Promote e-Government by providing more user-friendly integrated public services through a one-stop portal
- Introduce legislation in 2006-07 to establish a new Communications Authority in light of convergence between Internet, broadcasting and telephone service
- Consult public on radio spectrum management to ensure better utilisation, facilitating technological advance and evolution of new business models
- Earmark \$100 million over five years for Hong Kong Design Centre to help trades and industries to improve designs and build brand names

Cultural and creative industries

- Better co-ordinate Government support for the film industry
- Establish a Hong Kong Film Development Council
- Seriously consider Film Development Committee proposals to boost support for budding and small to medium sized film makers



Arts and culture

- Introduce a Venue Partnership Scheme to foster partnership between performing arts groups and venue operators
- Identify new venues to support development of traditional Chinese and other performing arts
- Inject \$40 million into Arts and Sport Development Fund to buttress support for cultural sector

Protecting labour rights

- Launch a Wage Protection Movement to better protect employees in the cleansing and guarding services sectors
- Promote use of written employment contracts to provide more effective dispute resolution and enforcement



Cherishing the family

"Cherishing the family is a core value of our community, and family harmony is the foundation of social harmony . . . our social policies will continue to be geared towards supporting and consolidating the family, and fostering the well-being of family members."



Supporting the family

- Seriously consider whether to set up an integrated, holistic and high-level Family Commission to better co-ordinate policy and resources regarding different age groups and genders
- Consider further ways to enhance support for extended families
- Work with the business community and NGOs to promote and deepen family-friendly measures, e.g. flexi-time and job sharing
- Boost support for domestic violence victims and their families through legislation and other means such as strengthened refuge centre and crisis support services, and an enhanced 24-hour hotline

Early childhood education

- One-off grant of \$70 million for kindergartens to upgrade teaching aids, equipment and other resources in current school year



- Introduce an 'education voucher' system to help parents with pre-primary education fees. Subsidy of \$13,000 per child aged 3 to 6 from 2007-08 school year, rising to \$16,000 by 2011-12

Gifted education

- Support the establishment of an Academy for Gifted Education for students aged 10 to 18 with exceptional potential and talent

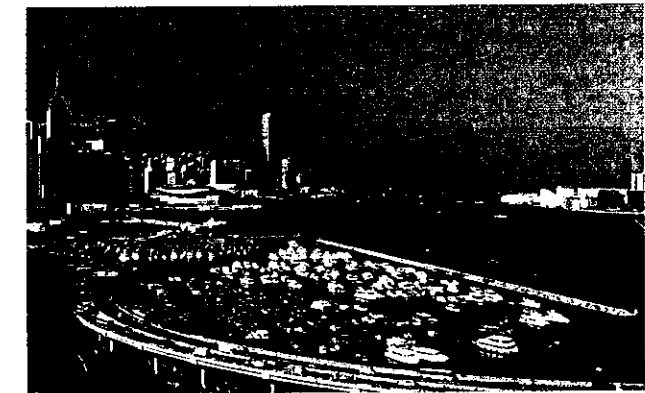
Enhance community services

- Provide additional facilities and services including libraries, sports centres, clinics and enhanced social services in some districts, such as Tin Shui Wai and Tung Chung

Quality environment

"Hong Kong deserves and can afford a better living environment today. . . With patience and perseverance, and through shared responsibility, we will create for ourselves a cleaner and better place in which to live and work."

- Environment to be focus of negotiations with power companies on new Schemes of Control. Permitted rate of return to be linked to emission caps
- Environmental Protection Department to set suitable targets and strategies in light of new air quality guidelines published by the World Health Organisation
- Earmark \$3.2 billion to help owners of 74 000 older diesel commercial vehicles convert to newer models meeting Euro IV emission standards
- 30% reduction (up to \$50,000) in first registration tax for low-emission, high fuel-efficient vehicles
- Consult public on whether to legislate against idling engines



- Introduce legislation to restrict volatile organic compounds (major pollutants affecting visibility) in printing materials, paints and consumer products
- Launch a trial scheme on waste charging at the end of the year
- Introduce a Product Eco-responsibility Bill into LegCo to control waste at source

Constitutional development

- Study more intensively and extensively the development of the political system through the Commission on Strategic Development with a view to summing up findings in 2007
- Continue to make strenuous efforts to draw up a blueprint for future democratic development covering the elections for the Chief Executive and the Legislative Council in 2012 and beyond

“Today, Hong Kong is faced with more challenges on the threshold of a new phase of development. We must work together to build a new consensus for our sustainable development, on the basis of which we will easily turn difficulties into opportunities. Hong Kong will certainly have a better tomorrow.”