

(Translation)

**Motion on
“Promoting Hong Kong’s economic restructuring”
moved by Hon Martin LIAO
at the Council meeting of 20 March 2013**

**Motion as amended by Hon Kenneth LEUNG, Hon Christopher CHEUNG,
Hon TANG Ka-piu, Hon SIN Chung-kai, Hon IP Kin-yuen and
Hon Charles Peter MOK**

That this Council urges the Government to seize the opportunity by utilizing financial resources, lands and policy measures appropriately to promote Hong Kong’s economic restructuring, including fostering diversified development within individual industries, economic diversification and the development of industries, other than the four pillar industries, with competitive edge; and as dovetailing with the development of manufacturing, creative and craft industries, etc. requires training and support for developing the relevant talents, the authorities should adopt the following measures:

- (1) to comprehensively examine and project Hong Kong’s manpower supply, provide suitable training to people at various age levels, comprehensively review the articulation of vocational education and the new senior secondary academic structure, and promote a learning culture for academic studies, crafts and skills in society, so as to train up the manpower required by economic restructuring;
- (2) to review the existing development potential of industries that ‘cannot be moved out of’ Hong Kong, such as construction, ship repairs, aircraft engineering, lift and escalator, and energy, etc., set down clear development ladders for talents in these industries, and step up resource inputs, so as to encourage people to join and develop in these industries, and resolve problems such as the shortage of local maritime talents despite the booming of shipping-related industries; and
- (3) to review land uses, and make good use of idle Government land lots, public spaces in buildings or under flyovers, etc., so as to provide business starters, local researchers, craft workers or cultural and creative workers with low-priced and time-limited land, allowing new industries to have room and soil for development;
- (4) to nurture the cultural and creative, innovation and technology, environmental protection and certification services industries, etc.;

- (5) to review the tax regime to allow the capital expenditure of enterprises on environment-friendly facilities 200% deductible under profits tax, so as to encourage enterprises to attach importance to environmental protection in their operation, thereby increasing the demand for companies providing environmental protection services and products, and offering an incentive for investing in environmental protection industries;
- (6) to prudently study the feasibility of developing a 'percentage-based public cultural and arts policy', with a certain proportion of funding for construction works in Hong Kong being used for subsidizing cultural activities, or a specified ratio of space in construction facilities being directly allocated for the purpose of conducting cultural activities, so as to provide more resources to community organizations to participate in cultural and creative work and promote the development of cultural and creative industries;
- (7) through issuing additional free television licences, to enhance the development of a cultural and creative television industry;
- (8) to further promote the tourism industry to enhance the diversified development of Hong Kong's economy, including conducting a review of Hong Kong's tourism policy and a study on the number of visitors that Hong Kong can receive, and allocating additional resources for developing the Lantau Island into a regional ecological leisure park to attract visitors fond of nature to visit Hong Kong; and
- (9) to promote diversification of industries and encourage people to start up businesses by, for example, providing venues in various districts and designating a bazaar period every month for people to sell various kinds of goods;

this Council also urges the Government to restructure public finances and properly use budget surplus to increase recurrent expenditure to promote Hong Kong's economic restructuring, so as to alleviate social conflicts; besides, regarding the innovation and information technology industry, the Government must implement the following measures:

- (10) to comprehensively review the existing scientific research assistance policies, formulate support policies to attract overseas or mainland enterprises to co-operate with the local scientific research sector, and allocate additional resources to encourage enterprises to undertake research and development projects, so as to develop Hong Kong into an

international intellectual property trading hub, thereby creating more quality employment opportunities in scientific and technological industries;

- (11) through enhancing land planning, stable energy supply and manpower training, to attract more overseas and mainland enterprises in telecommunications and Internet, etc. to make long-term investments in Hong Kong, so as to develop Hong Kong into Asia's data centre, and a hub of cloud computing and wireless applications; and
- (12) to expand the scope of the business start-up support and incubation programmes provided by the Government and dovetail with the relevant policies to encourage the development of local 'Angel Funds' and venture capital funds, so as to build an effective and sustainable ecological system for investment, and provide start-up companies with the capital required at various stages.