

(Translation)

**Motion on
“Maintaining a business-friendly environment in Hong Kong”
Moved by Hon Jeffrey LAM
at the Council meeting of 22 May 2013**

**Motion as amended by Hon Michael TIEN, Hon IP Kin-yuen,
Hon YIU Si-wing and Hon Charles Peter MOK**

That, with the slow recovery of the global economy and rapid ageing of Hong Kong’s population, the welfare spending is bound to increase significantly, and Hong Kong must vigorously expedite its economic development to ‘make a bigger cake’, the prerequisite of which is to maintain a business-friendly environment for small and medium enterprises (‘SMEs’); in this connection, this Council urges the Government to, apart from adopting proactive policy measures and devoting more resources to assist SMEs, make strenuous efforts to mitigate the increasingly tense labour relations in Hong Kong in recent years, and ensure employees not only having reasonable protection for their rights and interests but also fully recognizing the impacts of various labour policies and measures (e.g. reviewing the minimum wage level and conducting studies on the regulation of working hours and the right to collective bargaining, etc.) on the business environment of SMEs, in an endeavor to achieving mutual understanding and a win-win situation for both sides, with Hong Kong’s economy being also developed in a consistently rapid way; this Council also urges the Government to devote resources to enhance educational and manpower training, implement 15-year free education and small-class teaching in secondary schools, strengthen vocational education and training, and increase the numbers of publicly-funded sub-degree programme places, publicly-funded bachelor’s degree programme places and local students admitted to postgraduate programmes in graduate schools of universities, so as to nurture local talents to provide manpower resources for the sustainable development of pillar industries and the diversified development of the economy; this Council also urges the Government:

- (1) to subsidize small and medium enterprises, so as to motivate the relevant enterprises to make use of information technology;
- (2) to increase the expenditure on subsidizing the training of practitioners in industries, so as to raise the professional standards of industries;

- (3) to regularly co-ordinate industries of the same kind to jointly organize external promotional activities, and appropriately subsidize such activities; and
- (4) to reduce or waive the licence fees for the relevant enterprises of industries with operating difficulties;
- (5) to review and reform the Government's information technology procurement policy, reform the guiding principle that 'the lowest bidder wins' and the requirement for huge amounts of performance bonds, which have all along been criticized by the industry, strengthen the assessment elements of 'local research, original applications' to encourage innovation in its procurement policy, and increase the opportunities for small and medium enterprises to participate in the bidding for the Government's information technology contracts, so as to accumulate more capital and experience for expansion of their enterprise scale;
- (6) to open up more Government data and, putting the public interest first, encourage developers to make use of such data at liberty and free of charge, so as to promote the development of more mobile and internet applications conducive to people's livelihood and social-economic activities, so as to foster innovative applications by small and medium enterprises, enhance work efficiency, and create room for developers to identify business opportunities;
- (7) through policy support and venture capital funds involving Government investments, to encourage the development of local 'Angel Funds' and venture capital activities, so as to provide local start-up companies with more effective early-stage seed funding; and
- (8) to inject capital into and re-activate the Small and Medium Enterprises Training Fund, so that small and medium enterprises may have sufficient resources for training staff and enhancing competitiveness.