

Legislative Council Meeting of 9 June 2021

Motion on “Rebuilding Public Confidence”

Progress Report

Purpose

At the Legislative Council meeting of 9 June 2021, the motion on “Rebuilding public confidence” moved by Hon Jeffrey Lam as amended by Dr Hon Junius Ho was passed (full text of the passed motion is at Annex). This paper sets out the actions taken by relevant bureaux and departments in the respective areas.

Latest Progress

Stimulating the economy

2. The Consumption Voucher Scheme (“CVS”) is an important initiative launched by the Government to revive the economy. We hope that the disbursement of electronic consumption vouchers with a value of \$5,000 by instalments to each of the more than seven million eligible residents will help boost consumer sentiment and facilitate the recovery of local retail, catering and service sectors. We estimate that the disbursement of electronic consumption vouchers can boost economic growth by 0.7 percentage point. The public has been responding enthusiastically to the CVS. Between the start of the registration on 4 July and 17 July, more than 6.1 million people had submitted registrations. Those who have completed electronic registrations by 17 July and whose eligibility has been verified have received the first consumption voucher with a value of \$2,000 on 1 August. For all eligible persons who submitted paper registration forms or completed electronic registrations between 18 July and the registration deadline, they will receive the first consumption voucher on 1 September. The estimated financial commitment of the CVS is about \$36 billion. This amount, together with the various offers provided by the stored value facility operators and merchants, is expected to further enhance the CVS’ effectiveness on stimulating the economy.

3. Keeping local epidemic under control is the prerequisite of pursuing a full-fledged economic recovery. As of 16 August, the Government had administered close to 6.7 million doses of vaccines for the public. The public's active support of the Vaccination Programme would help create favourable conditions for resuming normal daily life and travel, as well as resuming business and leisure travel with the Mainland and the international community. This would in turn allow local consumption and other economic activities to revive to the greatest extent. For the early resumption of normal cross-boundary flow of people amongst Guangdong, Hong Kong and Macao in an orderly manner, the Government will continue to closely monitor and control the epidemic situation, and to speed up vaccination for members of the public. Meanwhile, we will continue to liaise with the Mainland and Macao to actively explore the resumption of normal cross-boundary activities amongst the three places in a gradual and orderly manner, on the premise that the epidemic situation in the three places is under control and without posing additional public health risks. The Government will also continue to explore the establishment of "travel bubbles" with overseas economies that have a relatively stable epidemic situation and close economic and trade relations with Hong Kong.

4. The Hong Kong economy remained on track for recovery in the second quarter of 2021, with real Gross Domestic Product ("GDP") continuing to grow notably by 7.6% over a year earlier alongside the improving global economic conditions and receding local epidemic. Considering the robust real GDP outturn in the first half of the year and the support from the CVS, the Government Economist recently announced on 13 August that the real GDP growth forecast for 2021 as a whole is revised upwards from 3.5%-5.5% to 5.5%-6.5%.

5. Meanwhile, our country provides the strongest backing for the revitalisation of Hong Kong's economy after the epidemic. The content relating to Hong Kong in the "Outline of the 14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035" ("National 14th Five-Year Plan") fully demonstrates the Central Government's unwavering support for Hong Kong in different aspects, and establishes a clear positioning for Hong Kong's future development. The Government will, in accordance with the directions set out in the National 14th Five-Year Plan, continue to deepen the co-operation between Hong Kong and other

cities in the Guangdong-Hong Kong-Macao Greater Bay Area (“GBA”) in finance, trade and commerce, innovation and technology (“I&T”), etc., with a view to fully leveraging the complementary advantages and promoting co-ordinated regional economic development.

6. Among other things, on financial development, the Financial Services and the Treasury Bureau, together with financial regulators and major market institutions in Hong Kong, have set up a joint working group in early 2021 to explore how Hong Kong can complement the economic and financial development of our country and meet the needs of international investors, formulate development blueprint, and communicate with the Central Government to secure its support. In respect of commerce and trade, the Hong Kong Trade Development Council launched in early June the “GoGBA” one-stop digital platform, and has set up the “HKTDC GBA Centre” in Shenzhen to better support Hong Kong enterprises to develop the domestic sales market in the GBA. On I&T, the National 14th Five-Year Plan for the first time includes the Shenzhen-Hong Kong Loop as one of the four major platforms of co-operation in the GBA. We are taking forward the development of the Hong Kong-Shenzhen Innovation and Technology Park (“HSITP”) in the Lok Ma Chau Loop in full swing. Besides, the Hong Kong and Shenzhen governments are jointly developing the Shenzhen/Hong Kong Innovation and Technology Co-operation Zone which comprises the Shenzhen Innovation and Technology Zone and the HSITP. The governments on both sides will formulate joint policy for the Co-operation Zone and explore providing facilitation and supportive measures in the aspects of R&D resources, capital and people flow.

7. The Government has also been striving to forge closer trade and economic ties with individual economies with a view to enhancing Hong Kong’s status as an international trading hub. In particular, the successful signing and implementation of the Regional Comprehensive Economic Partnership (“RCEP”) will bring enormous new opportunities and lay a solid foundation for Hong Kong to go further and beyond after the epidemic. The Government has, since 2018, indicated to individual RCEP participating economies at various levels and on various occasions our keen interest in joining RCEP. We have received positive responses that Hong Kong may apply for accession to RCEP in accordance with the relevant provisions after its entry into force. The Government will continue to actively engage individual RCEP participating economies with a view to joining RCEP as

early as possible after its entry into force, so as to expand the room for development by leveraging Hong Kong's own advantages, as well as to strengthen the trade and investment ties between Hong Kong and member economies in the region.

Communication with stakeholders

8. The current-term Government attaches great importance to public participation and engagement. In the course of policy formulation, we will listen to different sectors of society and take account of their views with a view to building consensus. For instance, the public consultation for this year's Policy Address was launched on 6 July. The Chief Executive will conduct around 30 consultation sessions to listen to views from members of the Legislative Council, representatives of different sectors as well as members of the public. The Government will also gather the public's views through such other channels as website and social media.

9. In respect of individual important policy issues, relevant bureau or committee will continue to conduct public engagement activities through diversified channels, including organising exchange sessions, workshops, public forums, outreaching activities, etc.

10. Amidst the volatile epidemic situation, we have to keep social distancing and may not be able to arrange frequent face-to-face meetings with stakeholders. Yet, we have been proactively arranging and participating in different local and overseas online meetings and seminars and maintaining communication with different stakeholders during this period. We will continue to closely monitor the latest development of the epidemic and actively communicate with stakeholders through different channels and platforms.

Youth development

11. The current-term Government attaches great importance to youth development and has rolled out various schemes to facilitate the upward mobility of young people and enable them to grasp different opportunities.

12. In terms of career development, apart from actively developing a diversified economy to provide young people with high-quality employment

opportunities, the Government has also taken various measures to open up career opportunities for young people both inside and outside Hong Kong. To encourage and support young people to grasp the career development opportunities in GBA, the Government launched the GBA Youth Employment Scheme in January this year to encourage companies with business in both Hong Kong and the Mainland cities of GBA to employ university graduates from Hong Kong and deploy them to station and work in the GBA Mainland cities. As at end of July, about 400 companies have provided more than 3 000 job vacancies and 520 graduates have started employment.

13. The Government has also rolled out the Funding Scheme for Youth Entrepreneurship in the GBA to provide funding to 16 non-governmental organisations to implement GBA youth entrepreneurship projects, under which capital subsidy will be provided to about 230 youth start-ups (involving more than 800 Hong Kong young people) while entrepreneurial support and incubation services will be rendered to about 4 000 young people.

14. On easing the housing needs of young people, the Government has implemented the Youth Hostel Scheme (“YHS”) and has made considerable progress, including (a) relaxing the requirement to allow YHS tenants to apply for public rental housing; (b) the first youth hostel having commenced operation in Tai Po in 2020; and (c) having started construction for youth hostels in Yuen Long, Sheung Wan and Jordan, with the largest youth hostel in Yuen Long commissioning next year to provide 1 680 places. There are currently seven projects under YHS, providing more than 3 300 places in total. The Government will continue to actively take forward the various projects under YHS.

15. On encouraging participation of young people in politics as well as policy discussion and debate, the Government has regularised the Member Self-recommendation Scheme for Youth (“MSSY”), under which young people aged between 18 and 35 are recruited on a regular basis to participate in government advisory committees. Up to now, around 400 posts are held by young people who have been appointed to advisory and statutory bodies (“ASBs”) directly or indirectly through MSSY. The overall ratio of appointed youth members in ASBs has increased from 7.8% in 2017 to

13.7% at present, gradually reaching the target of 15% within the current-term Government.

16. The Government will continue to work closely with the Youth Development Commission and endeavours to foster cross-bureau collaboration, with a view to better addressing young people's concerns in education, career development and home ownership, and encouraging them to participate in politics as well as policy discussion and debate.

District administration

17. The Government will continue to render full support to the District Officers ("DOs") to take forward district administration, such as fostering inter-departmental cooperation through the District Management Committees ("DMCs") to discuss and resolve district problems. In the 2021-22 financial year, under the District-led Actions Scheme ("DAS"), a total of 54 projects involving an annual recurrent provision of \$80 million would be launched. Of these projects, 48 would tackle district issues and six would capitalise on local opportunities. We will continue to make good use of the resources under DAS to improve the district environment.

18. The District Offices will also continue to provide administrative support to the Area Committees, District Fight Crime Committees and District Fire Safety Committees. Under the latest arrangements for improving the electoral system, these District Committees are entrusted with new functions in the electoral system. The nomination period for the 2021 Election Committee Subsector Ordinary Elections ("ECSS Election") ended on 12 August. The nominees will run for a seat in the Fourth Sector of the Election Committee as representatives of district organisations in the ECSS Election to be held on 19 September. As part of the "LegCo Members, representatives of district organisations" Sector of the Election Committee, they could fully reflect views from a district perspective so that the Government could respond to district needs more effectively. This would also realise balanced political participation and better attend to the overall interests of the Hong Kong society.

19. The DOs will also maintain close liaison with different sectors of the community as always and promote residents' participation in district affairs.

Conclusion

20. The Government will continue to adopt an open mind and listen to the views and suggestions from different sectors of society. We will spare no efforts in continuously promoting Hong Kong's economic and social development.

Chief Secretary for Administration's Office
Financial Secretary's Office
Home Affairs Bureau
August 2021

(Translation)

Council meeting of 9 June 2021

**Hon Jeffrey LAM's motion on
"Rebuilding public confidence"**

Motion as amended by Dr Hon Junius HO

That this Council urges the Government to formulate feasible policy measures to boost the economy and improve people's livelihood, establish positive interaction with the public and connect with young people, thereby rebuilding public confidence in the Government; specific proposals include:

- (1) setting up an Economic Stimulation Committee to formulate action plans for post-pandemic economic recovery;
- (2) accountability officials strengthening their communication with various stakeholders in the process of formulating major economic and livelihood-related policies and, by way of visiting various districts, organizing and participating in forums or meetings, utilizing social platforms, etc., extensively collecting public views and holding discussions with the public;
- (3) establishing a Youth Development Coordination Unit for one-stop processing of the work related to actively addressing young people's concerns about education, career pursuit and home ownership, and encouraging their participation in politics as well as public policy discussion and debate; and
- (4) strengthening the powers of the 18 District Officers over the administration of the districts so that they can make rapid response and act proactively to address the concerns of the people promptly, in an endeavor to achieve the benefit of 'addressing district affairs at the district level', thereby improving people's livelihood.