



John Tsang

2017 Chief Executive Election Candidate
Election Platform



My Dear Friends,

It was during a time of great uncertainty some thirty four years ago, when China and Britain started negotiations on Hong Kong's future, that I returned with my young family to Hong Kong from the United States, and joined the civil service in this great city of ours.

I have been fortunate to have held in my 34 years of public service a good number of positions in a wide range of policy areas that impact on the people of Hong Kong. So much so that I dare to say: I know Hong Kong.

I have big dreams for this city of ours, and together, I know we can overcome the many challenges that stand in our way.

Hong Kong is a great city operating under the concept of "One Country Two Systems". This is a unique framework that best suits our development. I have witnessed the tremendous clout that our nation now wields on the world stage, and I have no doubt that Hong Kong will become the leading international financial centre on the back of the economic strength of China, and visionary initiatives, such as "One Belt One Road" and FTAAP, that are at the beginning stages of implementation.

But we do need to check the disruptive elements that are threatening to curb our growth — the anger, the polarization, the occasional irrational talks of independence and the confrontation that has torn our society apart. Hong Kong never speaks with only one tongue, and has not followed only one dictum; Hong Kong does not just serve the business sector or the labour sector; Hong Kong does not just serve those born in the 50's or those in the 80's. Hong Kong is all of that.

The situation in Hong Kong today cannot be resolved by mere force and aggression; it requires restraint and moderation, on the part of everyone. We must pay tribute to diversity, inclusiveness and rationality in our society, the core values that provide a common ground for all the people of Hong Kong, and which the Government is duty-bound to preserve.

We became a great city because of our core values which include the rule of law, fairness, integrity, freedom, democracy, diversity, inclusiveness and caring for others. As the custodian of these values and strengths, the Government must refrain from undue interference, and provide at the appropriate juncture the necessary conditions for our economy to become even more balanced and more diverse.

We became a great city because we have the flexibility to adjust. We believe that market economy is an effective tool to create wealth and allocate resources, but markets can fail. Speaking from experience, we can make good use of the market to serve society.

We cannot be blinded to the economic problems and wealth disparity that we face today. Instead of acting against market forces, our mission is to remedy its pitfalls and improve its implementation, helping those who have fallen through the safety net, and ensuring a decent livelihood for those who are willing to contribute to the success of Hong Kong.

A great Hong Kong also means that its people lead a healthy and respectable life. The present government's diagnosis of the housing problem is largely correct, and I wish to state clearly my intention to keep producing more land and more housing to tackle the problems of housing shortage, ageing buildings and high property prices. These issues place a huge burden on our people. They are also stunting the growth of business in Hong Kong.

As we develop, we need also to keep in mind the necessity to preserve the priceless natural environment of Hong Kong, and the heritage buildings that embody our collective memories. I shall consider all possible means, including large scale reclamation and urban renewal, to produce more land and to enable Hong Kong citizens to enjoy better living conditions.

A great Hong Kong also means that the people here should be able to lead happy lives, and see Hong Kong as their home for generations to

come. We are one of the longest living people in the world, but mere longevity is not good enough. We are told by various surveys that the people of Hong Kong are not happy, and that may explain some people's wish to emigrate. It is my sincere wish to change these attitudes, and ensure that all the people of Hong Kong can lead fulfilled and happy lives.

A great Hong Kong would be a place brimming with vigour and vibrancy. It would be a place where young people are able to see a future for themselves, a place where they wish to raise a family and a place where their hard work would be duly rewarded.

I look forward to hearing their ambitions, whatever they are — starting a world-class business; pursuing further studies; or even dabbling in farming. And I wish to help them map out a blueprint for their future. I may not live long enough to see it all, but I can help lay the foundation for it.

Ladies and gentlemen, I am not an eloquent speaker like many of you out there. But I do have a gift of listening and pondering deeply what other people say to me. People who have known me all these years find me easy to work with, and I find myself always surrounded by people with diverse talents and experiences.

Today I am standing before you, the 7.35 million people of Hong Kong, not as a single person, but as a team of committed Hong Kong citizens with a common vision: to work together to make our city an even greater place to live.

Looking back on my life, my greatest realization is that confrontation, pessimism and prejudice are not inevitable. What we need is to rebuild trust, reestablish unity and rekindle hope. These are the three keys which are set out on the backdrop behind me. With the right measure of good will, faith and hard work, we can find the solutions, and we can write the history that we want to see.

What I fear most is that the confrontation and conflicts that we have seen in

our society recently have eroded permanently our courage and confidence to seek solutions. But, looking back on history, darkness always gives way to light - if only we could hold on to good will and hope.

Is it a difficult target to aim for? Of course it is. You may choose not to trust me to do it alone, but you must trust the collective faith and good will of all of us. Where others see a depressing situation, I see courage in changing the course of history; where others see a society torn apart, I see dawn at the end of a long dark night. If I can see a future for Hong Kong, so can we all.

I have done a great deal of soul-searching of late, and I can genuinely tell you that I am more determined now than ever to serve this city of ours. In fact more determined than what had urged me to return to Hong Kong in 1982.

Ladies and gentlemen, I declare I am running for Chief Executive of Hong Kong.

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(1) Preface

1. In recent years, Hong Kong has been torn by polarization and adversarial tensions. I believe that everyone who cherishes Hong Kong is as worried as I am. Our external economic and trade environment has been changing at the same time — globalization which has fueled the growth of Hong Kong for decades is showing a reversal trend, and in its place is the re emergence of protectionism which impeded world trade in the 1960s and 1970s. Our economic and social policies hitherto are falling behind this fast changing world and are no longer adequate to serve our needs.
2. Hong Kong needs an innovative, macro, visionary and forward-looking strategic plan. We should grasp the advantages available to us under “One Country Two Systems” , seize the opportunities offered by the high speed growth in the Mainland, and create, through **proactive enablement**, a favourable environment for our people and industries to further develop.
3. While the term of office of the Chief Executive (CE) is 5 years, CE candidates should not limit their plan for Hong Kong to just a span of five years. A good candidate must have the long term vision to identify new areas of growth and set new targets, planning for Hong Kong’s further development in the next two to three decades as well as the future of our next generation.
4. Having lived in the United States, to me “Hong Kong” has always meant more than a city name. We need not restrict our vision to the city’s geographical limits; instead we should be inspired by the broad reach of Hong Kong’s influences. We should enrich the “Hong Kong” concept to make it bigger, broader and better, thereby expanding the city’s horizon to grow and enabling its people to enjoy quality life.

5. We must respond more comprehensively to the rising expectations of our people for quality life and their diverse demands. My vision for a comprehensive development for Hong Kong focuses on four key objectives: **Quality Development, Quality City, Quality People** and **Quality Life**. To realize this vision and to develop a quality and sustainable city for our people, we have to start from our hearts, and our first indispensable task is to rebuild **trust**, re-establish **unity** and rekindle **hope** across the community.

Hong Kong Needs Trust

6. To rebuild consensus in Hong Kong, we must first return to the core values we cherish which include the rule of law, fairness, integrity, freedom, democracy, diversity, inclusiveness and care for others. Hong Kong has earned the trust of its motherland, and we should be proud of our contributions to the Mainland. But in recent years the Hong Kong society has been torn by adversarial tensions and distrust, and the situation is worrying. We must rebuild the trust among the government, the legislature, the civil society and the people of Hong Kong, by putting ourselves in others' places to better understand one another and to restore amicable relations amongst us. With trust, Hong Kong people will regain their faith in Hong Kong as their permanent home.

Hong Kong Needs Unity

7. Hong Kong as a small city cannot afford to have a divided society. Without unity, Hong Kong's competitive edge will be blunted and our development stunned. To reverse the polarization and adversarial tensions seen in recent years, we need to start with mutual respect and be inclusive in communication and receiving views, in order to mend the fissures and rebuild unity of our society. Only when the society is united can Hong Kong rise above its many challenges and take off again.

Hong Kong Needs Hope

8. The crux of many problems we face today stems from the frustration of many Hong Kong people who feel that despite their hard work, their lives have not improved. This gives rise to many social problems. We should re-examine our people's practical needs regarding their livelihood, employment, housing and education. We should be guided by the concept of quality development in enhancing the liveability of our city and its sustainable development, and prepare for changes in Hong Kong's demographic and economic structures. The government cannot stand still. Following the principle of "proactive enablement", we must apply new ideas and new models, as well as formulate short, medium and long-term solutions to resolve longstanding problems more precisely and efficiently.

9. For years, the key to Hong Kong's success has been our undaunted spirit to work in partnership to overcome difficulties. I believe that the government under my leadership will restore trust and unity, and bring new hope to the people of Hong Kong. We will climb new heights and create another Hong Kong miracle.

(2) “One Country Two Systems” — A Win-Win Formula

10. I have always been convinced that “One Country Two Systems” is the most appropriate and most favourable arrangement for Hong Kong’s reunification with our country. Our city’s dual roles as a Special Administrative Region of our country and Asia’s world city with extensive international connections are complementary to each other. This is exactly the unique opportunity and strong edge Hong Kong enjoys under the “One country Two systems” . We can also make contributions as the “Window of the World” for our country.

11. Under “One Country Two Systems” , positive interaction between the Mainland and Hong Kong is naturally the way to go. Any attempt to reverse this general trend will be self-defeating. Positive interaction between the two places helps combine our country’s prosperous advancements and the diversity and uniqueness of Hong Kong, bringing the potential of both into full play. This is an important basis for Hong Kong to advance its value and unique advantages as Asia’s world city, as well as the reason why “One Country Two Systems” is a useful component of the “Chinese Dream” .

12. Hong Kong needs our country, and our country values Hong Kong. I am confident that Hong Kong people will apply their initiatives to make the best out of the advantages availed to us. For instance, we should fully capitalize on Hong Kong’s position or potential as an offshore RMB centre, an international arbitration centre and professional services hub for “Belt and Road” countries; and grasp the opportunities offered by initiatives such as Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. In doing so, Hong Kong would also be supporting our country’s economic and financial reforms and serve as an important gateway for our country’s “Going Global” strategy, thereby achieving a win-win result for both places.

(3) Strong Governance

Vision

13. The civil service of Hong Kong has always been upholding the core values of integrity, honesty, uprightness and professionalism and abiding by procedural justice and impartiality in enforcing laws and policies. This is what members of the public expect of them. Meanwhile, public expectation is rising, the civil society is becoming vibrant, the political environment is changing rapidly, and the international arena is getting intricate. In response to the stakeholders' rising demands, we must, adhering to the principles of proactive enablement and meritocracy, strengthen the government's governance including boosting the civil service's morale, job satisfaction, commitment and forward-looking thinking.

Specific Measures

14. Integrity and law abiding

The Independent Review Committee for the Prevention and Handling of Potential Conflicts of Interest (IRC) chaired by the former Chief Justice Mr Andrew LI Kwok-nang recommended, inter alia, the application of sections 3 and 8 of the Prevention of Bribery Ordinance to the Chief Executive, and the setting up of an independent committee to give permission for the acceptance of advantage by the Chief Executive. I will consider the means to implement these proposals as soon as possible in order to command public confidence in the integrity of the government and to improve transparency.

15. Political neutrality and clarity of responsibility

As public administration gets more and more complicated, there is a greater need for the government and the society to safeguard the civil service's political neutrality. The civil service should support the work of the Chief Executive and his leadership team, diligently executing their decisions and the requirements of the law.

16. Taking advice with modesty

- 16.1 There are professional and generalist administrators within the civil service. They have a wealth of public administration experience and hold the key to policy implementation. Their views are important assets to the Chief Executive and the leadership team in the decision-making process. Senior officials should accept good advice with a broad mind, and encourage civil servants to participate in policy discussions without fear.
- 16.2 The government's advisory and statutory bodies should also enlist more talents and appoint the most suitable people as members. We count on these members to truly reflect the views of different social strata and sectors and make insightful suggestions to facilitate policy making and implementation.
- 16.3 The government should more widely and more flexibly use various channels to consult the public and practitioners in different sectors, ensuring that public policies and measures could suitably address the demands of people from different sectors and social strata.

17. Moving on with time and rule-based operation

We will invite the Government Chief Information Officer and the Efficiency Unit to review and streamline the workflow in government departments and increase the use of technology, in order to enhance efficiency and transparency for the public's convenience and better protect their safety and rights.

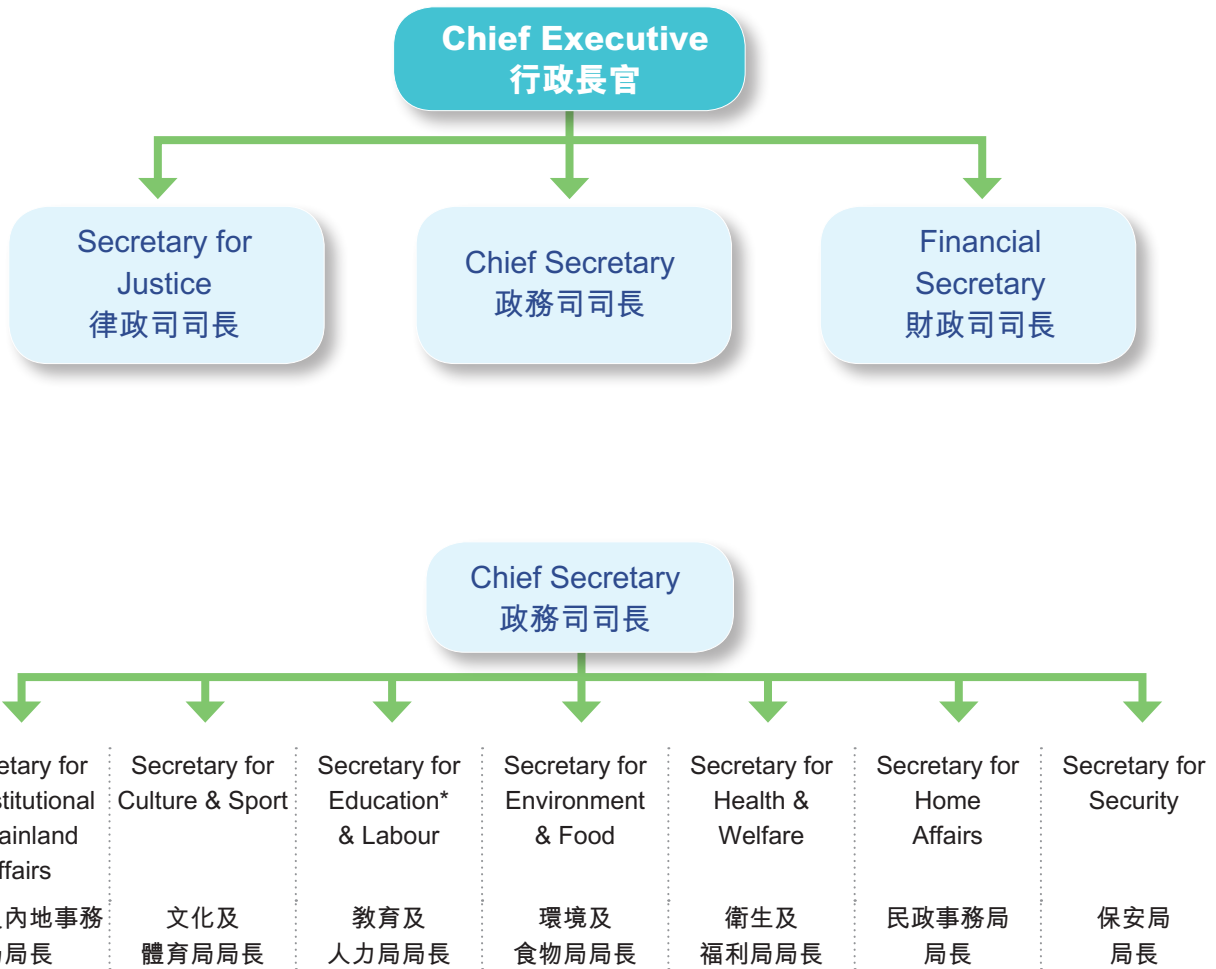
18. Stepping up training

We need to strengthen the training of civil servants in IT application, especially on how to use technology to engage in two-way communications with the public, facilitate policy formulation and implementation, risk management etc. We have to be practical in launching a smart government. While we have to be forward-looking, we also need to take heed of the state of readiness, devise an implementation plan and manage it properly.

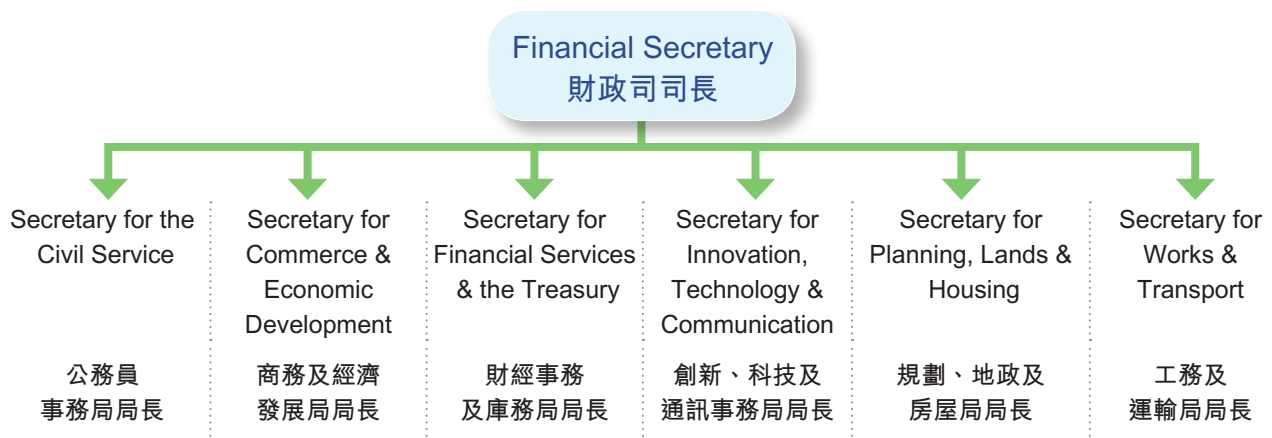
19. Re-organisation to strengthen coordination

- 19.1 This platform outlines my vision for Hong Kong for the next two to three decades. I believe that the government's most urgent task in the next 5 years, apart from rebuilding trust, unity and hope, is to increase the supply of land and housing, nurture talents and make preparations for an ageing society.
- 19.2 In the light of the priorities above, we will re-organize the government bureaux to better coordinate the relevant functions without increasing the number of Secretary and Permanent Secretary posts. Where certain projects so warrant, I will set up inter-bureau and/or inter department clusters, and I will appoint suitable Bureau Secretaries to lead such clusters, to take forward the projects in a more effective manner.
- 19.3 We will group planning, land and housing policies under the same policy bureau. Transport and public works policies will also be handled by a single policy bureau. We will create a new Culture and Sport Bureau and re-establish the post of Director of Education (D6 under the Directorate Pay Scale). We will also rationalize the responsibilities of other bureaux dealing with issues related to people's livelihood.

20. Proposed reorganization of the Government Secretariat :



*One New D6 Director of Education post. 增設 D6 教育署署長職位



(4) Political Reform

21. The Chief Executive and all Members of the Legislative Council should be elected by universal suffrage (dual universal suffrage); this is the ultimate goal for the Hong Kong's political development as provided for in the Basic Law. This is also what Hong Kong people want.

22. The National People's Congress Standing Committee decided on 29 December 2007 that in 2017 the fifth Chief Executive of the Hong Kong Special Administrative Region (HKSAR) shall be elected by universal suffrage; and thereafter Members of the Legislative Council shall be elected by universal suffrage.

23. To realize the goal of electing the Chief Executive by universal suffrage in 2017, the HKSAR Government proposed in 2015, according to the relevant decision of the National People's Congress, to amend the method to elect the Chief Executive. The bill failed to secure the votes of two-thirds of the Legislative Council Members; as a result neither the election of Chief Executive in 2017 nor of the following election of Legislative Council Members could be conducted by universal suffrage.

24. Before the realization of "dual universal suffrage", the debate on political reform will not abate; the fight for "dual universal suffrage" will continue; there will be continual challenge to the government's legitimacy; and the policies to improve livelihood and promote economic development will be scuttled by political debates. For the sake of our society's stability and good governance, we must therefore, with the greatest determination and courage, restart the process to amend the procedure to elect the Chief Executive during the next term of the government, and strive to put in place "dual universal suffrage" as soon as practicable.

25. I know that some people in our community object to restarting the political reform. Those opposing have pointed out that, the reform plan proposed during the current term of the government caused great controversies, and triggered a large scale “occupy Central” movement which severely disturbed people’s daily livelihood and resulted in immense social tension. As the proposal ultimately failed to be passed by the Legislative Council, the government has wasted a lot of resources. Some are of the view that as long as the Central Government and the pan Democrats maintain their respective bottom lines, it would be futile to restart the reform process.
26. This view above is not ungrounded. Indeed, if we were to make proposals without prior thoughtful preparatory work to forge a broader consensus in the community, we would likely repeat the past mistakes. That said, the issue of political reform must be resolved. I do not underestimate the difficulties of achieving consensus on the political reform. But I believe if we could formulate a CE election plan which is acceptable to different quarters, that will be a big step forward for Hong Kong’s political system, and both Hong Kong people and the “One Country Two Systems” will be winners. On the other hand, both will be losers if we stand still and do nothing.
27. I will, with utmost sincerity, closely communicate with different groups and political parties, and facilitate dialogues among these groups/parties and that with the Central Government, with a view to removing misunderstandings, narrowing differences, finding common grounds and building consensus. When the time is ripe, we will make concrete proposals to meet the people’s aspiration for universal suffrage.

(5) Article 23 of the Basic Law

Vision

28. According to the Basic Law Article 23, it is the Hong Kong Special Administrative Region (HKSAR)'s constitutional duty to enact local legislation to protect national security. Such measure is also the requisite condition for not applying the national security laws in Hong Kong.

29. In 2002 the HKSAR Government proposed the “National Security (Legislative Provisions) Bill” which met with strong opposition and had to be withdrawn eventually.

30. Since then, no similar bill has been introduced. The Basic Law has now been implemented in Hong Kong for close to 20 years. There is no reason for the HKSAR Government to delay the enactment of local legislation in accordance with Article 23 any longer. I believe the main concern is not about whether to legislate or not, but about the details of the law and the legislative procedures. We will learn from the past mistakes and do our best to legislate for Article 23 with a view to safeguarding the security of our country and Hong Kong and making a law acceptable to the people of Hong Kong.

Specific Measures

31. Full consultation — Thorough public consultation is a must, including publishing a proposed legislation in the form of a “white bill” .

32. Address concerns — We must be sensitive to the reasonable concerns expressed by political groups, the community and the mass media, and ensure that the rights and freedoms of the people of Hong Kong are fully protected while safeguarding national security.

33. Step by step approach — We could enact the law in stages, starting with the less controversial issues.

(6) The Economy

Vision

34. Quality economic development is the driving force for social progress, and the basis for Hong Kong's stability and prosperity. We must uphold the core values of integrity, the rule of law and fairness, so that each and every one of us can compete on an equal footing and his/her abilities are given full play. We have to diversify our industries, support innovative enterprises and creative industries with good potential for growth, and also help diversify those traditional industries where Hong Kong still has a competitive edge. We will help Hong Kong companies develop new markets, and assist small and medium enterprises to adopt new technology to enhance their productivity and competitiveness.

35. We will coordinate the resources of the government, industries, universities and research institutes in order to promote innovation and applied science research, complete the technology ecosystem, optimize the business opportunities, expand the training and matching of talents, and formulate a sustainable science and technology policy.

Specific Measures

A. Traditional Industries with a Competitive Edge

36. We will enhance the competitiveness of Hong Kong's traditional industries including commerce, logistics, financial services, professional services, tourism and creative industries through quality and standards improvements, deeper penetration of traditional markets and opening of new markets including countries along the "Belt and Road". I will invite the Hong Kong Trade Development Council, the industries and relevant government bureaux to develop specific promotion plans for different markets.

37. Promote Renminbi (RMB) as the currency for reserve and settlement

RMB has become one of the world's five major currencies in circulation. It was formally added to the International Monetary Fund (IMF) Special Drawing Rights (SDR) basket of currencies in October last year. Using RMB as the reserve and settlement currency would help reduce exchange rate risks in trade. As the global hub for offshore RMB business in our country's 13th Five-Year Plan, Hong Kong has the capacity and the responsibility to expand our business and services in this area.

38. Diversify the tourism industry

38.1 Hong Kong is rich in tourism resources. Apart from making the best out of our present attractions, we will continue to develop diversified tourism facilities to attract different visitor groups from various markets and for visitors to stay longer. We will promote themed visits to Hong Kong: green, culture, family and studies tourism.

38.2 We will continue to inject resources for manpower training of the tourism and retail industries.

39. High-end logistics industry

Hong Kong's air cargo throughput is the highest in the world for the sixth year in a row. The Airport Authority will further discuss with the industry to provide new freight facilities and ancillary services to enhance Hong Kong's competitiveness in the air freight business. We will implement the "Single Window" strategy to facilitate cross boundary logistics. We will study the development of high value-added and third-party logistics in North Lantau, and actively sign agreements on free trade, investment protection and avoidance of double taxation with more economies to expand Hong Kong's business network.

40. Productivity enhancement

Government will assist small and medium enterprises in manpower training and adoption of technology to enhance their efficiency and business development. Companies should also create a family-friendly work environment for employees to enable them to strike a balance between work and family life.

41. Labour shortage in certain service industries

Some service sectors such as services for the elderly and disables, catering and retail are faced with labour shortage. We will re-examine the existing system for importation of labour to enable these sectors to continue operation, while protecting the interests of the local workers.

B. Innovation & Technology and Creative Industries

42. Support start-ups

42.1 Without prejudice to WTO's Government Procurement Agreement, the government and the public sector should, as far as possible, accord priority to the procurement of products or services from start-up enterprises.

42.2 We will allocate more resources to encourage students and staff of tertiary institutions to engage in applied science research and commercialization of research outcomes.

42.3 Through lowering the land premium proportionately, where appropriate we will require property owners to reserve floor area for public facilities in new and redeveloped industrial and commercial buildings. Part of these areas would be made available to non-profit-making organizations for running incubation programmes.

43. Build a financial technology (Fintech) hub

43.1 Hong Kong is one of the world's three major international financial centres. An enormous number of financial transactions involving huge sums are conducted daily in or through Hong Kong. We will increase our resources to promote R&D and the application of financial technology to make Hong Kong the Fintech hub in Asia, and this would give Hong Kong more say over the formulation of relevant international standards in future.

43.2 For R&D, we will set up a financial technology research institute in cooperation with the technology and financial industries and universities. We aim to develop system components of financial technology such as network security, block chain, big data, artificial intelligence and develop related platforms, then make them available for use by financial institutions and other businesses. Financial regulators can take the lead in applying different financial technologies to enhance transaction efficiency, security and market transparency; strengthen risk management; monitor abnormal transactions and combat financial crimes.

44. SME Cloud Computing

We will set up a Cloud Computing Support Service Centre for SMEs. We will engage local technology companies to develop common cloud solutions for interested industries. Individual SMEs are only required to share the costs of actual usage without bearing the risks of R&D.

45. Smart City, Smart Government

45.1 We will develop a digital infrastructure to make Hong Kong a smart city. City operations will be more efficient and environmentally friendly, with less consumption of time and resources. We will provide machine-readable versions for all accessible government information

(concerning weather, traffic management, demographics etc), expand accessible public information and data, and optimize the sharing platform of the database. These measures would facilitate the use of different technologies such as big data and Internet of Things by industries in developing value-added electronic services and applications.

45.2 Working with public and private organizations, we will increase coverage of free Wi-Fi hotspots.

45.3 Consumers will increasingly move towards the “sharing economy” and use the electronic platform for hire and purchases of services and goods. We must move with time and enable such new activities to develop while protecting the consumers’ interests.

46. Government will further utilize communication and information technology to improve service and enhance efficiency.

46.1 We will integrate counter services and work flows in different government departments to provide one-stop service to save manpower and space and to shorten waiting time.

46.2 We will develop smart common trench maintenance systems to coordinate construction and repair of roads, footpaths and underground pipelines (including cables, optical fibers, water, gas and drainage).

46.3 We will develop smart road management systems to improve road use efficiency, reduce traffic congestion, save energy, tackle illegal driving and parking etc.

46.4 We will develop land management systems and government property management systems through advanced digital and spatial technologies.

C. Open Up New Markets — “Belt and Road”

47. Economies along the “Belt and Road” have substantial potential for growth and are complementary to Hong Kong’s economic development. They will be our important business partners in the next two to three decades. These economies provide ample opportunities for our established sectors such as commerce, financial, legal and professional services. They are equally good markets for our innovation and technology industries. We need to analyze the needs of these economies and design specific promotion plans to access their markets.
48. In the past two years, I have led business delegations to visit seven countries in Eastern Europe, the Middle East and Central Asia along the “Belt and Road” to learn more about the opportunities there, and to discuss how to enhance cooperation with the governments and business communities there. Our work will continue.

48.1 Continue to organize the “Belt and Road” Summit

The inauguration of the “Belt and Road” Summit was fully supported by the Central Government and was highly successful. We will continue to organize the Summit, increase the Trade Development Council’s “Belt and Road” website functions, and develop Hong Kong as the main platform for “Belt and Road” business partnership.

48.2 Promote Hong Kong’s professional services and technology start-ups

The countries along the “Belt and Road” are engaged intensively in infrastructure developments. At this stage, we will focus on promoting Hong Kong’s professional services in infrastructure financing, design, operations, legal services and arbitration, as well as promoting Hong Kong’s technology start-ups.

48.3 Strengthen co-operation with Mainland provinces, cities and enterprises

We will proactively participate in each region's international fora (for example, China-ASEAN Exhibition, China-Asia-Europe Exhibition, Europe-Asia Economic Forum, China International Fair for Investment and Trade, China-South Asia Exhibition, China-Arab Exhibition, Western China International Exhibition, China-Russia Exhibition, Qianhai Cooperation Forum, etc), to strengthen the relationships with Mainland provinces, cities and enterprises, and explore collaboration opportunities in the "Belt and Road" markets.

48.4 We will strengthen the links with all "Belt and Road" countries in various aspects:

- To promote visits by senior level government officials in both directions and to sign various bilateral agreements on business cooperation.
- To organize visits by the tourism industry and to promote tourism development in both directions.
- To organize "Belt and Road" cultural and sports events.
- To encourage higher education institutions to conduct more exchange student programmes.

(7) Tax Review

Vision

49. The government must maintain a simple and efficient tax system to maintain Hong Kong's competitiveness in the international and regional arena.

Specific Measures

50. Research into progressive profits tax

We will research and examine the possibility of introducing a progressive profits tax to lessen the burden on Small and Medium Enterprises (SMEs). A progressive profits tax system would encourage the development of start-up enterprises and SMEs, spur re-investment, and enhance SMEs' competitiveness.

51. Research into negative income tax

We will investigate the feasibility of introducing a negative income tax, under which people whose income falls below a certain level need not pay tax and may receive a government allowance. Such measure would not only help improve the livelihood of low income families, but may help rationalize the current welfare system as well.

(8) Planning and Land

Vision

52. Hong Kong is a high density city and our challenge is to change the perception that high density and livability are mutually exclusive. This challenge points us to the direction that Hong Kong's new generation of new towns should be developed with quality in mind.

53. In the 1970s, we began to build the Sha Tin and Tuen Mun new towns and construct the mass transit railway system. In the 1980s and 1990s, strategic infrastructural projects like the new airport, the New Territories circular road and the expansion of the railway network were constructed. These are proofs that high density and livability can co-exist if we apply innovation and new technology in the development. Today, it is imperative for us to have a people-centred macro plan in developing our city for our next generation.

54. It is a fact that the land available for development in Hong Kong is limited. The prevalent planning model which focuses on hardware is not adequate to meet the demand for housing and will not improve the quality of life of the general public. Therefore, we must launch a brand new people-oriented integrated plan to meet demands with equal emphasis on quality, quantity and sustainable development.

55. We need a two-pronged approach -- speeding up the pace of urban renewal to transform the densely built-up urban areas, and optimizing the New Development Areas (NDCs) to increase the supply of land. We pledge to make Hong Kong a better city with a new mindset, a more pragmatic attitude and a more flexible approach in implementing development plans. We have to attend to the needs of the people affected while by increasing transparency, let society know of the factors involved and understand the reasons for certain decisions. At the same time we should also enhance nature and heritage conservation.

Specific Measures

56. Develop the East Lantau Metropolis and New Territories North

56.1 To build the East Lantau Metropolis, linking Hong Kong, Kowloon, the New Territories west, Lantau and the Pearl River Delta. This will be an integrated plan consistent with the concepts of smart and environmentally friendly development. The area will also complement plans for urban renewal where relocation may be required. According to the “Hong Kong 2030+” forecast, the East Lantau Metropolis will provide about 1,000 hectares of land with potential for development, accommodating 400,000 to 700,000 inhabitants and providing some 200,000 job opportunities.

56.2 Development of New Territories North

- To establish a new town with a population of 200,000 to 300,000 people.
- To make an integrated plan to deal with the issues of brownfield and deserted agricultural land, including relocation of the logistics and special industries on the brownfield to alternative sites.
- To develop the “northern economic belt” to unleash the overall development potential of the northern part of the New Territories adjacent to Shenzhen, providing some 130,000 jobs.

56.3 The East Lantau Metropolis and New Territories North developments will be carried out in a manner that does not compromise the country parks or ecologically sensitive marine areas, and the plan is to make the new development areas accessible by rail networks.

56.4 The unique features and ecological surroundings of small towns such as Mui Wo, Tai O, Lau Fau Shan and Sha Tau Kok will be retained in the above large-scale developments.

57. Improve existing land policy to increase land supply.

57.1 The short and medium-term strategic approach will include changes to existing land uses and increase in plot ratios.

57.2 Review the brownfield policy. To relocate existing business operations on the brownfield to new multi-storey buildings, with a view to enhancing land efficiency, increasing land supply and improving the rural environment.

57.3 Through changing land use, the brownfield and deserted agricultural land can be used for housing and other uses. A more flexible approach would be adopted for land resumption, compensation and rehousing to expedite land resumption and minimize resettlement difficulties.

57.4 Identify areas of quality agricultural land as priority agricultural sites and provide incentives for the release of private land on these sites for agricultural purposes.

58. Innovative ways to increase GIC land

58.1 Unless there are exceptional reasons (e.g. the available floor area is too small to be cost-effective), a new clause applicable to all developers of newly auctioned or redevelopment residential projects, office buildings, industrial sites will be introduced requiring them to build extra Gross Floor Area (GFA) (with some 5% of land title owned by the government) on behalf of the government for “Government, Institution or Community” (GIC) purposes. The construction costs of such public and community floor areas will be reflected in the land premium.

58.2 If an adequate supply of community facilities can be provided in an innovative manner, land areas originally zoned as GIC may be re-considered for mixed use, including residential or other development uses.

58.3 For infrastructural works and public works projects, the provision of public spaces and facilities should be included to enhance connectivity.

59. Provide incentives to transform old industrial areas into commercial areas

To encourage redevelopment of old industrial blocks within rezoned commercial areas into commercial buildings. If such redevelopment can bring about improvements to the local community (e.g. widening of roads, footpath, pedestrian footbridge and tunnel, carpark or other facilities), additional GFA may be granted.

60. Promote urban design to enhance liveability

To promote urban design on a community-oriented and local participation basis, giving priority to pedestrians; and to enhance the functions and standards of streets and parks. These measures aim to provide quality public spaces for the enjoyment by the public.

(9) Housing

Vision

61. Housing is a livelihood issue of utmost importance. According to the Census and Statistics Department (C&SD), in 2015 about 200,000 Hong Kong people were living in “sub-divided units” . Many of such units are in poor conditions, while the number of applicants on the Public Rental Housing Waiting List is reaching record highs.
62. Hong Kong’s average household size has been decreasing, and the number of domestic households increasing, resulting in growing demand for housing. In 2000 an average household comprises 3.3 persons. In “Hong Kong Population Projections 2015-2064” C&SD projects that the average household size would continue to decline, from 2.9 persons in 2014 to 2.7 persons in 2049, and the number of domestic households would gradually increase from 2.43 million in 2014 to peak at 2.93 million in 2044.
63. We must consolidate existing housing, land and urban redevelopment policies, formulate long-term land and housing programmes, and increase land supply in order to solve our housing problems.
64. According to government statistics, in the third quarter of 2016 the median monthly household income for a 4-person household is \$38,000. On the other hand, under the 2016 eligibility criteria for Home Ownership Scheme, if the income of a 4-person household exceeds \$51,600 or above or assets exceed \$1.7 million, it would not meet the eligibility criteria for “White Form” buyers. While the government has tried hard to curb property speculation, property prices remain high and many “sandwich class” people still find it very difficult to buy their own homes in the private market. All they can do is to continue to pay high rents.

65. The government is duty-bound to tackle the housing need of the grassroots population, but we should also look into the grievances of the “sandwich class” who have no means to buy their own flats. For social harmony, the government should take on the responsibility of helping the “sandwich class” to acquire their own properties.

Specific Measures

66. Increase public housing

In 2015, the proportion of the population living in public sector permanent housing (including public rental flats and subsidized home ownership flats) was 45.6%. Our goal is to provide public housing accommodation to 60% of our population, through more efficient land use, increasing the supply of public sector housing and redeveloping old public rental estates.

67. Assistance to middle-class home buyers

67.1 In parallel with the construction of more public rental flats, we will also increase the supply of Home Ownership Scheme (HOS) flats, relax the income and asset limits for HOS applicants, and increase the quota allocation ratio for White Form applicants.

67.2 At present, HOS flats are priced at a discount rate of 30-40% against the market value of similar units in the same area. We will review the HOS pricing policy in tandem with increasing the supply of HOS flats, and examine the feasibility of linking the pricing to the median income.

67.3 Review the statutory role of the Urban Renewal Authority (URA) to release a right proportion of land under redevelopment projects for building affordable homes for the “sandwich class” .

68. Urban renewal

- 68.1 The problem of ageing buildings will intensify over the next 30 years. According to the projection of “Hong Kong 2030+”, the total number of private units aged 70 years or above will be 326,000 in 2046, assuming no more demolition from now. This will give rise to numerous building maintenance problems. URA should carry out a study on a district basis and devise appropriate redevelopment strategy for each district.
- 68.2 URA should promote urban renewal with more innovative ideas. The redevelopment plan should not only provide residential units in the district, but also ancillary facilities and amenities for the whole community. Apart from the “acquisition, compensation and rehousing” approach, URA should also offer more redevelopment options to meet the aspirations of the original property owners.
- 68.3 Encourage joint development of adjacent projects. If the redevelopment project brings about necessary improvements to the community (e.g. widening of roads, pedestrian paths, carpark, ventilation tunnels, other public facilities etc.), an extra 5% to 10% of GFA can be given.
- 68.4 Research into the feasibility of a land exchange scheme whereby several small land parcels may be tallied together for exchange for a larger site, achieving higher cost effectiveness and improvements to the old areas.
- 68.5 Work with the Hong Kong Housing Society to adopt a flexible approach to rehouse the eligible tenants affected by clearance and redevelopment.

69. Provide individual owners with professional support on building maintenance

The government and the relevant professional sectors would examine the feasibility of setting up an agency to provide professional support to individual owners and assisting members of Owner Corporations in handling tenders and appointing companies for building maintenance to help them guard against bid rigging.

70. Review Small house Policy

According to Article 40 of the Basic Law, the lawful traditional rights and interests of the indigenous inhabitants of the New Territories shall be protected and the government is abided by this Article. However, in the face of shortage of land, the present small house policy is not the most productive way of using land resources. We will review the existing system and discuss with Heung Yee Kuk the problem of small houses and how to deal with the issue more flexibly. This includes examining the feasibility of developing multi-storey blocks or residential estates of mixed small houses/ HOS flats. This would take care of the housing needs of both indigenous inhabitants and the “sandwich class” at the same time.

71. Rationalize the responsibilities of relevant policy bureaux

To group planning, land and housing policies under one single policy bureau to better co-ordinate land making, planning and housing policies.

72. Labour importation

Keeping in view manpower shortage in the construction industry and without prejudice to local labour employment, the construction industry should discuss with the labour sector a mutually agreeable plan to import an appropriate number of foreign workers. The plan should cover length of contract and accommodation for imported workers. The importation is to ensure the timely completion of construction projects.

(10) Transportation

Vision

73. Our objective is to provide a highly efficient transportation infrastructure and reduce the harm to the environment. The number of private cars in Hong Kong has exceeded 500,000. We will closely monitor the usage of roads including the increase in the number of private cars, and research into appropriate measures to tackle road congestions.

Specific Measures

74. **Use railroad as the backbone of the transport system, and coordinate public transportation services —**

74.1 The advantage of having rail network as the backbone of public transport system are that it is environmentally friendly and efficient. Rail and other transport services are mutually complementary.

74.2 Encourage public transportation organizations to raise their service level, better coordinate their various services, reduce vicious competition and overlapping in service routes, and maintain reasonable charges.

75. **Build a network of walkways for pedestrians**

Provide more walkways for pedestrian use, especially in facilitating their access to public transportation stations. This will reduce short trips by car, and improve air quality.

76. Encourage the use of electric cars

76.1 Through suitable tax incentives, encourage the use of environmentally friendly electric cars, and at the same time monitor the growth in the number of electric cars and gasoline private cars.

76.2 Continue to subsidize franchised bus companies to purchase electric buses, testing their performances in the Hong Kong environment.

77. Implement “Electronic Road Pricing (ERP) Pilot Scheme in Central and its adjacent areas”

ERP has proved to be successful in other places. The government has already started consultation on the ERP pilot scheme in Central. We will devise an appropriate implementation plan for this pilot project to resolve the traffic congestion problem in Central.

78. Launch the “Fourth Comprehensive Transport Study”

The government completed in 1999 the “Third Comprehensive Transport Study” and developed a transportation strategy that has straddled up to 2016. We will soon launch the “Fourth Comprehensive Transport Study” , to map out the transportation system for the next 20 years.

(11) Environmental Protection

Vision

79. A good living environment is what everybody wants. It is also a prerequisite for attracting talents to come to Hong Kong. Successive governments have done their part in environmental protection. Over the years, Hong Kong and Guangdong have rolled out joint programmes which have shown to gradually improve the air quality in the Pearl River Delta. Hong Kong's two electric companies have increased gas generated electricity, and installed emissions reduction facilities. These control measures have a positive impact on our air quality. The implementation of the "Harbour Area Treatment Scheme" has also substantially improved Victoria Harbour's water quality.

80. In the coming five years, I will lose no time in tackling the increasingly severe problems of urban waste and roadside air pollution. To pave the way for future urban renewal and land development plans, we have to first plan our sewage systems. The impact of climate change is increasingly obvious; Hong Kong cannot be exempted. We must do our part to control our greenhouse gas emissions, and be prepared for the onset of extreme climate.

Specific Measures

81. Increase the effectiveness of waste reduction at source and recycling

81.1 We will review the current collection methods for different types of wastes. We will utilize information technology to coordinate refuse collection, thereby improving the logistics of waste collection and recycling, and reducing the cost of transportation.

81.2 We will encourage reduction of waste at source to relieve pressure on landfills.

82. Improve road-side air quality

82.1 In 2009 when I started serving as the Chairman of the “Steering Committee on the Promotion of Electric Vehicles” the total number of electric cars was less than 100. Today, there are more than 7000 electric cars on the road, and Hong Kong’s proportion of electric cars is among the highest in the world. We will continue to encourage the use of electric private cars and buses.

82.2 We will give priority to conducting research on roadside air quality where it is the worst, establish pedestrian-only or public transportation-only areas, or implement ERP to reduce the volume of vehicular traffic. We will consult District Councils, and pay attention to implementation details, including the problem of managing pedestrian precincts.

83. Ensuring water quality

Certain areas in the New Territories still lack proper connections to the sewage system and have to depend on septic tanks. This causes pollution to underground water and rivers, and makes it impossible to raise the development density in those areas to increase housing supply. We will renew the master plan for sewage and storm water drainage to tie in with the developmental needs of these areas.

84. Marine waste

84.1 Marine waste is a global problem. We will promote public education on this problem and heighten awareness about the importance of keeping our oceans clean.

84.2 We will increase communication with the Guangdong authorities and crack down on illegal dumping of wastes into our waters.

85. Combat climate change

85.1 Subsequent to the “Kyoto Protocol” signed in 1992, the “Paris Agreement” is the most important international agreement reached on climate change. The whole negotiating process was long and difficult. We will assist our country to carry out her international duties, and do our part in fulfilling our own responsibilities.

85.2 Currently, the respective “Scheme of Control Agreement” signed between the government and the two electric companies will expire in 2018. When negotiating a new agreement, we will request the electric companies to use cleaner energy, including renewable energy and methods that turn waste into energy.

86. Nature Conservation

86.1 Hong Kong is a small and urbanized place, but there is a high degree of biodiversity, including over 3300 vascular plants, over 700 species of animals, over 1000 ocean fish, about 200 types of freshwater fish. Hong Kong’s bird species make up one third of our country’s bird species, and we have a great variety of coral. We will enforce the laws to protect our country parks, marine parks and other important areas that have ecological value. This may inevitably limit our choices when it comes to producing land for housing. We hope the society will support us in our plans to look elsewhere for new land.

86.2 We will review our nature conservation policy to make it more effective, covering privately owned areas of conservation value, and strengthen the conservation of species diversity.

(12) Youth and Family

Vision

87. Young people are key stakeholders of our society — this is an important fact that we must recognize before formulating any youth policy. I believe that making young people a responsible social constituent is vital to our youth policy. After all, the future of Hong Kong rests in their hands. In order to well equip them to meet the challenges and opportunities of the new era, it is our duty to provide our young people with a good education and a good living environment so that they have the opportunity to prepare themselves and actualize their potentials.
88. I am only too aware that many young people are bothered by study, employment and housing problems. They care for the community, pursue social justice with zeal but find that there are not enough channels for them to express their views. These cause negative emotions in them and even confusion about their national identity. We need to widen the channels of dialogues with young people to foster better mutual understanding. We should also proactively consider ways to help them.
89. Healthy and harmonious families are the cornerstone for a healthy society. Family life has a bearing on values, marital relationship, cross-generation harmony, work-life balance, and pressure from studies etc. We should strengthen our advocacy for family values and preserve family functions through publicity and family-friendly measures. This would help resolve family problems and allow us to enjoy a warm and loving family life.

Specific Measures

90. Enable young people to participate in policy discussions

90.1 Build a new platform (including e-platform) solely for young people to allow them to take part in political and policy discussions. The government should genuinely listen to their views, and proactively communicate with them.

90.2 Set a ratio for appointing young people to certain government advisory boards and committees.

91. Encourage young people to participate in community work

Encourage young people to participate in community work to promote community development. This will allow them to apply their creativity and perspectives and will be the first step in letting them become responsible social stakeholders.

92. Mobilize IT enterprises to nurture young people

School campus is an important experimental ground for young people's creativity and ideas. We will mobilize IT enterprises to partner with schools to help nurture young students, giving them opportunities to apply their creative ideas before taking up employment.

93. Student loan for tertiary students

Relax the asset and income restrictions for applying for tertiary student grant and means-tested loan, and link the repayment amount of means-tested loan to the income of the graduates. We will work out the implementation details based on the above principles.

94. **Promote family values**

94.1 Step up public education and community activities to promote family values.

94.2 The government should lead by example in introducing more family friendly measures, including flexible working hours and arrangements that facilitate family care.

95. **Animal protection**

95.1 Step up enforcement against illegal pet breeding.

95.2 Implement the “Trap-Neuter-Return” project in all 18 districts of Hong Kong in stages.

(13) Education

Vision

96. “Focus on the students and let talents flourish” — Education is the key to our future. As long as resources are well spent, education is definitely the best investment. To compete with the best in the world, we need to ensure that our students have a solid grounding of knowledge and a good upbringing.
97. Education must keep up with time. Education has for too long been hostage to the examination system and the practice of intensive drilling and rote learning. To equip our students for challenges in the new age, they should be tested on how they apply integrated knowledge, creativity and team work. Schools should focus on developing students’ logical thinking and digital literacy, and improving their problem solving skills.
98. At the same time, we must change the outdated belief that “a technical job won’t take you very far” . We should cultivate local talents in a more flexible and forward-looking manner to include different skill-sets to meet future demands of the job market and development needs. We should widen the spectrum of jobs available to our students and minimize job mismatch.
99. We propose the concept of “Quality People” . We will start with early childhood education, and promote diversity in learning. The first and foremost task is to reverse the current micro management mentality and practices of the Education Bureau (EDB) and apply the spirit of school-based management. Through “proactive enablement” , we will assist schools to enhance optimal use and matching of resources. We will facilitate schools to establish closer ties with different stakeholders in the society, such as enterprises and community organizations, to equip our students with multiple skills.

100. Sport and art education are important elements of all round education. Sport training goes a long way to shape a student's personality, team spirit and personal growth. It is also the basis for promoting Hong Kong people's overall health. Art education helps develop students' creativity, ability to express themselves and ability to appreciate art. We should provide more opportunities for students to participate in sports and cultural activities.

Specific Measures

101. Increase investment in education

In order to maintain stability in teachers' employment, help students broaden their horizons and meet the needs of early childhood education, special education and vocational education, we must inject more resources in education.

102. Remove the disparity in teachers' pay and increasing their job security

102.1 To increase the ratio of graduate teachers in primary and secondary schools, and gradually remove the disparity in pay between teachers with the same qualifications and similar duties but occupying different posts.

102.2 As the teacher-class ratio in secondary schools increases, schools should be able to fill their establishment posts, reducing the ratio of contract teachers. This will enhance job security for the teaching staff, strengthen teachers' sense of commitment, and contribute to better teacher-student relations.

103. Early childhood education

103.1 In the context of free early childhood education, we would conduct study with a view to implementing a pay scale for kindergarten teachers. We would also conduct a comprehensive curriculum review to improve overall teaching and learning, and standard of teachers' qualifications.

103.2 To stop mechanical drillings and rote learning in pre-schools so that students are well motivated and have sound physical and mental growth.

104. **Review curriculum to relieve the pressure on school children**

- 104.1 To review the primary and secondary school curricula with an aim to lessen examination based contents, reduce the amount of homework, and reduce the stress on parents; to increase the interactive elements in the curriculum and promote experiential learning; and to nurture the holistic talents of students including talents in sport and art.
- 104.2 To explore ways to reduce the burden on teachers and students of Liberal Studies; to rationalize the different modules and their coverage and to add elements that can broaden students' international horizons. In assessing students' attainment in this subject, due regard should be given to the differences in background among students, including ethnic minority students or those with special needs.

105. **Abolish TSA/BCA**

To abolish all TSA/BCA tests to arrest the practice of intensive drilling. In order to monitor the learning attainment levels of all Primary 3, Primary 6 and Secondary 3 students, we should come up with an anonymous assessment mechanism where students in different schools are chosen at random to take the assessment, thus removing any incentive to drill students. The results will be assessed by the re-established Education Department, and the post-assessment follow up work will be taken up by the professional management of individual schools.

106. Enhance STEM education and introduce classes on computer programming

- 106.1 STEM (Science, Technology, Engineering and Mathematics) education should be launched in primary schools in a step-by-step manner. We would set up STEM Teaching Resource Centres with advanced laboratories and exhibition rooms, students from different schools can take turns to learn at the centres. The centres would also provide on the job training and support service to STEM teachers.
- 106.2 Learning to write computer programmes can help students improve their problem solving ability, including logical thinking, focus on details, the ability of splitting up complex issues into simple problems and so on. It will also equip students to become creators of digital technology and contents, rather than simple consumers. We need to introduce concepts like coding into the classroom as early as possible to cultivate a new generation of scientific and technological talents for Hong Kong.

107. Teach Chinese and Hong Kong history

The study of history is an indispensable means to learn about one's own country. It is necessary to make Chinese History an independent compulsory subject in junior secondary school, so that students can be taught in an inspiring manner about China's history and contemporary developments. At the same time, the history of Hong Kong, especially that about the birth of the Basic Law and the "One Country Two Systems" concept, will be covered.

108. Cultivate diverse talents

- 108.1 With reference to the German vocational education system and without compromising students' language, mathematical and general abilities, help them identify their vocational interests beyond the traditional academic context. We would step up technical training and enhance the accreditation of vocational training to meet the manpower needs of different sectors.

108.2 Strengthen liaison and cooperation between enterprises and institutions for better matching between vocational education and industries to guarantee employment opportunities and prospects of vocational education graduates. Identify those local industries with anticipated increasing demand, like healthcare, logistics, technical engineering and film production, and encourage providers of associate degrees and diploma programmes to develop more vocational programmes in these areas. This will increase the further studies pathways and career options for students.

109. Higher Education

109.1 Under the principle of university autonomy, encourage universities to strike a balance between teaching and research. Universities should recruit the best talents and continue to improve their management to keep up with time.

109.2 We will consult widely to review whether the convention to have the Chief Executive as the Chancellor of universities should be retained

110. Sport and art education

110.1 Schools can introduce Early Admissions Scheme (EAS) in sport and art programs to allow potential candidates to receive early professional training. This will build up a ready pool of talents for the local sport and cultural sectors over time.

110.2 Promote cooperation between schools and non-governmental organizations and community organizations to support sport training. This will help develop team spirit in students and strengthen their will power and perseverance. We also encourage sharing of venues at schools to allow students to participate in more sports activities.

110.3 Create a new Culture and Sport Bureau (see the “Culture and Sport” section).

111. Promote continuing education

- 111.1 Increase funding for the “Continuing Education Fund” and increase subsidies for professional courses to encourage the public to constantly upgrade their professional knowledge.
- 111.2 Encourage students and members of the public to use their spare time to subscribe to recognized online courses to enhance the breadth and depth of their knowledge.

(14) Culture and Sport

Vision

112. Culture provides the nutrients to a city's soft power and brings with it economic benefits as well as employment opportunities. Hong Kong's own culture is borne of an open and cosmopolitan environment; it is at once unique and diverse, and still has a lot of influence and followers in the Mainland and the Asian region. The problem is that we have not got a strategy that helps Hong Kong's creative and cultural industries to achieve their full potentials.
113. Our cultural industry is currently facing a succession problem, and we are not capitalizing on the growing demands for entertainment contents in the Mainland and other parts of the world. When formulating strategy for our cultural industry, our long term goal is to make Hong Kong a cultural metropolis. As Hong Kong "exports" its culture, we also want to attract regional as well as overseas talents to come to Hong Kong so that our cultural industries can further develop and be constantly enriched.
114. Hong Kong people's life expectancy is the world's highest because we value a healthy and active lifestyle. Hong Kong's athletes have done very well in the international arena, and we are proud of them. We should continue to strengthen the hardware and software for sport and recreation.

Specific Measures

115. Education and talent training

- 115.1 Encourage and make it easy for people to participate in cultural activities, cultivate their appreciation skills to widen the audience base.
- 115.2 Increase people's awareness of the importance of popular culture.
- 115.3 Assist the artistic industries in nurturing new talents, including performing artists and back stage technical professionals, art administrators, and art and antique evaluators.

116. Support and strengthen the development of the cultural and creative industries

Enhance support for the cultural and creative industries especially where Hong Kong has a competitive advantage, such as films, popular music, animation, design, and art dealing / auctioning, helping them to tap into the international market thereby generating more economics benefits for Hong Kong.

117. Direction of cultural development

The government needs to forge consensus with the culture and art professionals and the community on Hong Kong's positioning in culture and art, and develop targeted strategies from there.

118. Construction of cultural hardware and cultural conservation

- 118.1 To speed up the building programme of the West Kowloon Cultural District.
- 118.2 To strengthen the conservation and revitalization of historical buildings to maintain Hong Kong's unique cultural heritage.

119. Enhance the development of sport

- 119.1 To strengthen Hong Kong's sport infrastructure to make it easier for people to enjoy sport activities, and to nurture future sport elites at the same time.
- 119.2 To expedite the development of the multi-purpose sports complex in Kai Tak.
- 119.3 To formulate a 10-year sport development plan.
- 119.4 To increase funding for the Hong Kong Sports Institute to further improve the benefits for professional athletes.
- 119.5 To consider, in conjunction with the Hong Kong Sports Association and Olympic Committee, giving more incentives and awards to athletes who have achieved outstanding results in international competitions.
- 119.6 To bring more large scale sport events to Hong Kong. This will not only increase people's interest in sports, but will also raise Hong Kong's international profile and help promote sport tourism.

120. To establish a Culture and Sport Bureau

- 120.1 To establish a Culture and Sport Bureau to integrate the work of the Home Affairs Bureau, Development Bureau and Commerce and Economic Development Bureau in the areas of culture, creative industries, heritage conservation and sport. The new bureau will also oversee the Information Services Department and Radio and Television Hong Kong.
- 120.2 The new Culture and Sport Bureau will adopt policies that keep up with time. To maintain good relationship with the media, it will discuss with the media sector the arrangement for allowing the web-based media to cover government's news events.

(15) Medical Services

Vision

121. Our public healthcare service provides an important safety net and our policy is that no one should be denied adequate medical care for lack of means. However, in face of an ageing population, it is estimated that by 2029, the elderly above the age of 65 will make up one fourth of the population in Hong Kong, and the demand for medical care from the elderly will also be much higher than other age groups. We therefore need to continue building hospitals and increase the speed of renovating old ones. We have reserved \$200 billion for the Hospital Authority (HA) to increase facilities and manpower to cope with the increase in demand. We will continue to optimize the public and private two-track system, and promote the development of complementary clinical modal for Chinese and western medicine.

Specific Measures

122. Expand public-private partnership in clinical care

The government will launch more public-private partnership programmes so that the less acute patients from public hospitals can choose to seek consultations or receive ambulatory care from contracted medical service providers.

123. HA Budget

To maintain HA's service quality, and for it to undertake its responsibility to train more medical professionals, the government subvention for HA will make reference to population growth and other factors. We will also request HA to consider making multi-year budget estimates in order to plan ahead.

124. Increase resources for training

More resources will be provided to the universities to increase places for doctors, nurses and allied health professionals to alleviate the problem of staff shortage in public hospitals.

125. Promote family medicine

Increase resources for training more family doctors. Long term relations between patients and family doctors would help give more holistic care including preventive care, and the patients will have continuity of medical records. This will also help to reduce the demand for specialist medical care.

126. Enhance primary care for the elderly

Through collaboration between doctors, nurses, and allied health professionals and community elderly service units, we can provide the elderly with more comprehensive care.

127. Service for mentally ill persons

I will ask HA and relevant rehabilitation organizations to review the current modality of service provision to mentally ill persons, with a view to providing seamless service from hospitals to community rehabilitation for them.

128. With the experience of SARS, the government has provided funding for the University of Hong Kong to upgrade its laboratories to Biological Safety Level 3. Funding will be given by the Food and Health Bureau annually to support researches into sudden outbreaks of epidemics, and to enhance training for the laboratory staff.

129. Expedite the establishment of the Chinese medicine hospital

The demand for Chinese medicine services has been growing. We have reserved a site at Tseung Kwan O to build the first Chinese medicine hospital. We will expedite the development programme, and promote the complementary clinical modalities of Chinese and western medicine.

130. The Medical Council of Hong Kong

130.1 On the Medical Council of Hong Kong reform, we will start with increasing the number of panel members for initial inquiries, streamline the procedures to handle complaints and discipline hearings with greater transparency and efficiency to reduce the accumulated case load.

130.2 As for the membership of the Council, we agree to retain the present ratio of one elected member to one appointed member, and elected members should adequately represent the constituents. There are still disagreement between medical doctors and patient groups on the issue. We will consult all concerned. When consensus is reached, we will prepare a draft bill to the Legislative Council.

(16) Labour

Vision

131. As the political and economic environments around the world are changing rapidly, employers and employees alike are facing increasing uncertainties. The government will facilitate dialogues between both parties to resolve labour issues. We need to provide appropriate training, retraining and continuing education to employees to better equip them for changing requirements in the job market.
132. The “off-setting ” mechanism is the most controversial aspect of the Mandatory Provident Fund (MPF) scheme. From the angle of retirement protection, “off setting” undermines the protection for workers, especially grass-roots workers. Employers are of the view that doing away with “off-setting” will increase their operating cost, and SMEs will be the hardest hit. The government needs to bridge the gap by devising a system that will protect the interest of workers while minimizing the impact on employers.

Specific Measures

133. **Establish a “seed fund” to resolve the “off-setting” issue**
- 133.1 We will consider government taking the lead to inject funds to establish a “seed fund” , to which employers will contribute. For example, employers can contribute \$100 to \$200 every month for each employee and the amount of “off-setting” payment will be drawn from this fund.

133.2 The “seed fund” will accumulate investment returns and will become self financing in the long run. The burden on companies employing less than 50 people should not be too large. Assuming no change to the “off setting” formula, it is probable that the labour sector will find the proposed arrangement acceptable.

133.3 The calculation of severance pay and long service payment will remain unchanged, and this will be beneficial to workers.

134. Conduct consultation on how to resolve the off-setting issue.

To set up a special committee with representatives from the labour, business and relevant parties with a view to achieving consensus and resolving the issue.

135. Standard working hours

We will take account of views expressed by different quarters and help reach consensus between employers and employees. As different industries and job positions have different requirements, a “one size fits all” approach would not be appropriate. We could take the employment contract as the basis, then work out a set of general contract provisions through consultation with both employers and employees.

(17) Services for the Elderly

Vision

136. According to the government's "Hong Kong Population Projections 2015 - 2064", the percentage of elderly aged 65 and above will grow from 15% in 2014 to 23% in 2024, then 30% in 2034, and further increase to 36% in 2064.
137. We need to address the issues brought about by an ageing population. Their needs may differ according to their individual family circumstances and financial conditions. We will formulate a long term plan covering medical and elderly care, building of hospitals and nursing homes, manpower training and financial arrangement. In particular we will strengthen the prevention of chronic illnesses, expand public-private partnership in medical services, develop community nursing, and enhance support for carers. We will improve retirement protection, as well as increase resources to help the elderly people without assets in different aspects.
138. The MPF requires contributions for a prolonged period of time before benefits start to kick in. As those who will retire in the next ten years have only joined the MPF for a relatively short time, the sum they receive on retirement is relatively small. We need to put in place short and medium term measures to support these retirees.
139. Elderly people have different needs. We can provide income to them through various means. The government should meet the basic needs of the grassroot elderlies, and provide those with assets with ways to earn a stable return to support their standard of living.

Specific Measures

140. Make long term plans for elderly services

The Elderly Commission has started public consultation on the “Elderly Service Programme”. We will consider the consultation results and make long term plan for services for the elderly. We will also include in the “Hong Kong Planning Standards and Guidelines” provisions for homes for the elderly.

141. Carer certification framework

Targeting the shortage of manpower for elderly care, we will increase resources to train carers, and design a certification framework to give recognition to the trained carers.

142. Encourage the elderly to stay with their family

142.1 Improve the “Building Maintenance Grant Scheme for Elderly Owners”, by raising the subsidy valid for every five year from the current \$40,000 to \$50,000, and put in place a 1:1 matching fund (i.e. the elderly pays \$10,000 and the government will match the same amount, with a maximum of \$50,000 self-funding as the limit), so as to encourage the elderly to install safety fixtures such as non-slip flooring in their own homes.

142.2 Improve the “Community Care Service Voucher for the Elderly”, so that qualified elderly persons can use the vouchers for community care services of listed NGOs for home care or accompanying services for medical consultation.

143. Optimize utilization of the elderly medical voucher system

The government will appoint an academic institution to research into the elderly’s habits of using the elderly medical vouchers, and see how the system can be improved to better serve the needs of the elderly.

144. Smart Homes

Through application of communication and information technology, we will build a smart technology platform, to enable all service providers to better service the elderly in a more integrated manner.

145. Develop the “silver hair” market

Although the ageing population bring with them challenges for Hong Kong, they also offer tremendous business and employment opportunities. Providing care is a key segment in the “silver hair market”, and it creates employment opportunities. The government will increase funding to collect the data about this market, and will encourage businesses, including social enterprises to tap into this market to provide the elderly with their daily necessities.

Provide multiple sources of income for the elderly

146. Consolidate and simplify the various welfare protection schemes for the elderly

On the basis that there should be no reduction in benefits, we will establish a means-tested protection system, whereby elderlies with assets below a certain level will receive payments to cover their basic needs. Currently there are a number of welfare schemes for the elderly entailing high administration costs. Consolidating and simplifying these schemes will generate savings that can be deployed for other services. This is an example of better governance.

147. Improve the Reverse Mortgage Programme

The reverse mortgage plan provides the elderly who own their residential property the option of having a monthly payout to meet living expenses or to increase cash flow. After the Hong Kong Mortgage Corporation introduced measures to optimize the plan in 2015, the number of applications has increased. The Corporation will consider further measures to promote reverse mortgage.

148. Issue bonds for the elderly using returns from infrastructure projects

We will study the feasibility of using the returns from government owned tunnels, rails and the airport to issue long term bonds. This can be a fixed-interest investment option for the elderly aged 65 and above.

149. Encourage financial institutions to provide annuity products

As the MPF becomes more mature, people will, by the time they retire, have accumulated more significant lump sums, and the accrued returns on their capital will provide the needed protection for their retirement life. The government will encourage financial institutions to develop more annuity products, and introduce incentives for retirees to purchase such products.

(18) Support for the Underprivileged

Vision

150. For a caring and integrated community, the government has the responsibility to help the vulnerable and provide a safety net to the less fortunate.

A. Subvented Welfare Organizations

151. The government introduced in 2001 a lump sum grant for subvented social welfare organizations. While it allows these organizations more flexibility in the deployment of funds, it has the effect of suppressing the pay scales for staff in some organizations, or some organizations have accumulated unusually large reserves.

152. We will consult the social welfare sector to review the lump sum grant arrangement, including whether to continue to use employees' mid point salaries in calculating the grant, and consider appropriate levels of reserve for the organizations.

B. Services for the Disabled

153. According to the Social Welfare Department, the number of persons on the waiting list for subvented homes for the disabled has for the first time reached 10,000, representing a 6% increase from the end of 2015. In 2016 17, the number of places in homes for the disabled has only increased by about 150. Since the publication of the "Rehabilitation Policies and Services White Paper" in 1995 and the 5 year plan announced in the "Rehabilitation Program Plan" in 1998, the planning for such facilities has stagnated in the past ten years.

154. Restart the Rehabilitation Programme Plan

154.1 With increased life expectancy of the disabled, the turnover at homes for the disabled has been slow. The government needs to have more updated projection of service demands. We need to relaunch the Rehabilitation Programme Plan, conduct comprehensive data analysis, and devise short to medium term solutions to reduce waiting time for places at homes for the disabled.

154.2 We will include provisions for homes for the disabled in the “Hong Kong Planning Standards and Guidelines” , so that in the land planning process sites can be reserved for such facilities. In the medium term, we will review the current level of rehabilitation service and the shortage of facilities with a view to improving the service.

C. Low-income Working Families

155. For low-income families, government welfare subsidies is only a relieve measure, and the best solution is to provide them with training and employment opportunities.

156. Consider relaxing the eligibility criteria for the Low-income Working Family Allowance. The number of applicants for the allowance for low income working families has been far lower than expected. In December 2016, the restriction on leaving Hong Kong was lifted. We will consider further relaxing the eligibility requirements, so that the scheme can more effectively help low income families cover their basic living expenses.

157. Provide subsidies for technical training courses

Members of low income families will be eligible for a subsidy when they apply for accredited basic and medium level technical training courses, and are successful in obtaining the recognized qualifications.

D. Development of Social Enterprises

158. Social enterprises combine the powers of enterprises and the community to relieve various social problems, through providing services in innovative ways. They benefit the less privileged and at the same time create new employment opportunities.

159. **We will encourage the further development of social enterprises.**

159.1 Make better and more effective use of the various funds that now exist for social enterprises, enabling good ideas of social innovation to sprout and grow.

159.2 Encourage cooperation between the business sector and social enterprises. Currently a number of government departments are working with social enterprises. We will streamline their work, actively publicise the concept of social enterprises and encourage the business sector to fulfill their corporate social responsibilities through partnership with social enterprises.

159.3 Award those social enterprises with good management, and assist them in finding opportunities to expand their business.

159.4 Proactively promote caring consumption, making more people aware of and choose the service and products of social enterprises.

E. Ethnic Minorities

160. At present, unlike other ordinances on equal opportunities, the “Racial Discrimination Ordinance” does not contain the provision that it is unlawful for the government to discriminate on grounds of race in the performance of its functions or in the exercise of duties. The government should lead by example. We would amend the “Racial Discrimination Ordinance” to address the above issue.

161. The best way to help ethnic minorities integrate into the local communities is to help them learn the Chinese language. We will act quickly to formulate the policy for studying Chinese as a second language.

161.1 Design the curriculum and teaching materials for Chinese language as a second language. The relatively small number of ethnic minority students does not provide sufficient incentives for publishers to publish teaching materials, therefore the Education Bureau should provide the curriculum and teaching materials, for use from kindergarten up to Secondary 6.

161.2 We will increase resources to train more Chinese language teachers to teach Chinese language as a second language and for schools to hire enough staff for this purpose.

161.3 Make “Chinese as a second language” a Hong Kong Diploma of Secondary Education Examination (DSE) subject, allowing ethnic minority students to take the examination. With the necessary certification of their Chinese language ability, ethnic minority students will have more opportunities to pursue further education and to seek employment.

162. To resolve the problem of entry into kindergarten

The learning of the Chinese language must start early for children, but at present many mainstream kindergartens do not accept ethnic minority children. We will examine the problem and find solutions for it. At the same time, we will encourage the parents to join their children in participating in Chinese learning and other activities organized by the schools.

163. Increase funding for non-government organizations

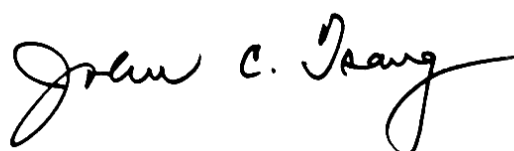
We will increase funding to non-government organizations to provide more employment assistance and training to help ethnic minorities integrate into the community.

V. Concluding Remarks

It is almost 20 years since Hong Kong reunited with our country. During the period we have been through a lot of turbulence, and have seen our society torn apart in recent years. But I can say for certain that we still have the resources and stamina to overcome these challenges. What we lack now is a convergence of hearts.

I firmly believe that social harmony and common faith and conviction amongst the people will determine the fate of Hong Kong. As long as we do not give up our hope and ideal, no measure of difficulty will unravel the basic fabric and strength of Hong Kong, or shake our determination to strive for a better future.

I embrace the spirit of Hong Kong people to pursue their ideal with unremitting zeal. It is in this spirit that I stand as a candidate for the Chief Executive election. I am deeply convinced that Hong Kong people will, with the same conviction, walk this path and move forward with me. In unity we will build a better Hong Kong, continue to implement the “One Country Two Systems” , and let the Hong Kong Legend to live on.

A handwritten signature in black ink, reading "John C. Tsang". The signature is written in a cursive, flowing style with a long horizontal stroke extending to the right.