

**HKIoD's Response to the Policy Address
Delivered on 16 October 2019**

Note: The response first appeared in Chinese on 16 October 2019.

No Peace, No Progress

(16 October 2019, Hong Kong) – The Hong Kong Institute of Directors made the following statement in response to the Policy Address delivered today.

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In the view of HKIoD, Hong Kong is facing some unusual and difficult times. Without peace and order, there can be no meaningful implementation of policy to improve people's livelihood. The challenge has long been to stay in the race for economic development and progress. The immediate test is on our ability to govern ourselves to justify the current One Country Two Systems arrangement. The Chief Executive conveyed the notion that the latest Policy Address seeks to embody measures that break away from the old mold of thinking and to address policy problems with a more flexible approach to deploying Government resources. But if there is not a peaceful stable environment, policy initiatives however good will not flourish. No peace, no progress.

The thief cries “stop thief!”

The Chief Executive was interrupted, twice, just when she got started. Not being able to continue on the floor of LegCo, she had to switch to a video broadcast to complete the speech. Some legislators were critical of the Chief Executive for not having the courage to face the legislature. We tend to think, however, that most Hong Kong People will recognise the scene as one of the thief cries “stop thief!” Some legislators are hell bent on ignoring parliamentary convention and etiquette, breaking the rules so to disrupt the Chief Executive. Hong Kong People may not all agree with every content of the Policy Address. We can each have views and criticism on the shortfalls and inadequacies of Government policies. But the antics of some legislators for politics' sake will only hinder deliberation and slow down progress. The people for whom they were elected to represent are the ones who ultimately suffer.

Housing and land supply

The Policy Address today put focus on housing and land supply. One reason would be that the Chief Executive admits to the fact that housing is the toughest livelihood issue facing Hong Kong and that, like this Institute had pointed out, housing is also a major source of public grievances.

The Institute believes that, with the completion of more units, we can indeed re-establish a flight of steps for younger persons and families to improve on their housing condition and quality of living in realistically reachable climbs. To increase the overall supply of public housing, hopefully, will in turn make it easier for those seriously in need for public rental housing to satisfy basic housing needs.



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The Institute largely agrees with the adjustments to housing policy, to enable more people, especially first-time buyers, to have more affordable home buying options.

The rate at which more housing units become available will necessarily hinge on the land supply. The Chief Executive will invoke the Lands Resumption Ordinance and other applicable laws to resume land tracts suitable for development (some brown sites in the New Territories, for instance) and slate them for public housing development. The Institute agrees with this policy move. We believe the legal framework will have appropriate mechanisms to safeguard the interests of affected landowners.

For the medium to long term, the Chief Executive reiterated the vision of a Lantau Tomorrow by way of reclamation in the Central Waters. The Institute had commented last year that the concept could make good grounds to sustain Hong Kong's development for decades to come, and it should be taken up for consideration. We maintain our views.

Improving people's livelihood

The Policy Address also sought to improve people's livelihood. Enhanced measures to support children, efforts to modify public play spaces, regularized student grants to meet new school year expenses and more generous subsidies to meet commuting costs should all draw support. The Chief Executive also seeks to shift a treatment-oriented public health system that it currently is to one that is prevention-focused, and in doing so, the Government will continue to roll out district health centres. We do believe the Government must put in more effort to ensure our public health system can cope with the pressure arising from the ageing population.

Rescue the businesses that are going under, and save the jobs

The Chief Executive reminded us all that the economy has slipped into a technical recession. The economic downturn will have severe impact on the labour market. The Government had rolled out relief measures to support businesses in August and September. We supported those moves. But a good number of businesses will run into serious difficulties. To save these businesses from going under is to save the jobs. Hong Kong should need a flexible corporate rescue regime that gives company directors leeway to explore restructuring options without undue insolvent trading liability, but the Chief Executive did not mention any concrete legislative plans.

The Chief Executive pledged to carry out, once peace is restored, promotional work in collaboration with business chambers, professional bodies and other organisations to bring visitors and business back to Hong Kong. We wish for an early arrival of such time.

Hong Kong is a special place, if we can keep it

The special status that Hong Kong has is a source of its competitive advantage. Hong Kong People ought to keep it. We remain confident that, with a stable environment that we can restore and a talent pool that we can nurture, Hong Kong can rise again. Hope we have.

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About The Hong Kong Institute of Directors

The Hong Kong Institute of Directors is Hong Kong's premier body representing directors to foster the long-term success of companies through advocacy and standards-setting in corporate governance and professional development for directors. A non-profit-distributing organisation with membership consisting of directors from listed and non-listed companies, HKIoD is committed to providing directors with educational programmes and information service and establishing an influential voice in representing directors. With international perspectives and a multi-cultural environment, HKIoD conducts business in biliteracy and trilingualism. Website: <http://www.hkiod.com>.