RESPONSE TO SECRETARIAT OF COMMISSION ON STRATEGIC DEVELOPMENT ON 11 ISSUES DATED 15 FEBRUARY 2006

Issue 1

There is a dearth of reliable information about what our competition is doing and we are not benchmarked against them. There is unrealistic optimism (certainly amongst some government officials that we are so far ahead of our mainland competition in some areas) that there is nothing to worry about.

We must have such up-to-date information so that policy makers can be alerted in good time if our advantages become eroded or our weaknesses become threatening. We also need to identify and seek out opportunities before the herd arrives.

Other than hard facts, we also need attitude surveys and employ good publicists so that the world will know that we are the best and beat a path to our doors.

Issue 2

We must maintain a constant watch over our position. But ultimately we must have the best talents within our community so as to make the best use of our chances.

It also takes leadership to sell change to the rest of the populace so they can accept the pain that must be endured to keep up our advantages.

It is deplorable that our civil service seems to be closed to outside talent. If they are prepared to become competent in Chinese, why are we debarring ex-pats from civil service entry (they will of course have to accept that certain posts are not within their reach)?

Issue 3

All the development options make up a whole (almost a virtuous circle) and will feed on each other. Certainly, business will pay the going rate for talent if we can get sufficient economic return, and Government must do everything possible to facilitate the smooth and timely entry of talent. However, money will get us many of the talent if the business model justifies paying for such talent, but our dreadful pollution does deter many really fine talent who have a lot of choice.

It is ridiculous that the spouses of people with work permits can not work in Hong Kong as of right.

I would propose that an advisory and oversight committee from business interests be formed over the Immigration Department so that business needs are fed back quickly into the Department and new policy can be formulated speedily to respond to needs.

Issue 4

We need more Trade Development Council/InvestHK types of offices in the main cities of China and also in countries with whom Hong Kong does a lot of business. In fact they should be merged to avoid duplication and lack of certain services. They should become more of a one-stop service centre much as what the better consulates are doing). Where there are significant pockets of Hong Kong people doing business, we should foster Hong Kong Chambers of Commerce so they can help each other and assist new entrants. Laissez-faire will mean that our competition will swamp us.

Our record of helping our Hong Kong citizens who get into trouble across the border is pitiful. We must do much better.

We (BPF) did comment in the past that the Government Websites, for example that of the Immigration Department, are not user friendly towards the potential immigrant who may need to apply for entry. What has been done so far to improve that?

Issue 5

More Hong Kong Chambers of Commerce will be a good start.

Issue 6

I would suggest more joint ventures between Hong Kong and Mainland enterprises especially when the latter goes overseas. We also need to make it more attractive for Mainland enterprises to set up and use Hong Kong as their window to the world. Presently, Mainland and Hong Kong Tax regimes make this difficult and moreover Mainland Exchange Controls hinder enterprises setting up Hong Kong operations on an opportunistic basis. More effort should be made by Hong Kong Government to resolve this impasse.

Issue 7

I feel that it is now time to introduce the singing of the National Anthem in Hong Kong. The initial sensitivity should be over and starting with our young, we should instill in them the pride of being Chinese.

Issue 8

Central Government can provide user friendly publicity packages for us to use when hosting such conferences so that overseas participants can have a better understanding of what China stands for. However, there is still the tricky question of human rights abuses and lack of democracy, how can we defend something which is not really part of our system and many of us do not agree with – and not be accused of not loving our country.

Issue 9

This is already happening within our company. We have many Hong Kong people stationed in our Mainland offices and we all work together to resolve problems. There are still problems getting our Mainland employees to travel to Hong Kong for secondments and short term work or conferences. Surely, if a major company like Deloitte was to guarantee the good behaviour of one of our employees, procedures and permissions can be much simplified and speeded up?

Issue 10

I have a serious proposal that we should start a China National Portrait Museum in Hong Kong. It is something that is missing on both the Mainland as well as Taiwan. Such a museum is the perfect place to take our children for a lesson in history as each portrait can start a mini history lecture for a particular period. Often the background within the portrait or picture gives a wealth of leads as to the economic or social climate of the period and this brings to life the history of China. If we can get the Sir Paul Chater collection which is hidden in the bowels of the Hong Kong Museum of Art and the loan

of the Chinnery Collection from HSBC, we will have the core of a very fine collection on which to base a national collection.

Issue 11

We certainly have the most free political and social environment to nurture Chinese culture within Hong Kong. However, these things do not come cheap. We really must get on and decide how to develop the West Kowloon cultural hub and it must not be allowed to get into the hand of one developer. In culture, we must have diversity and tolerance.