



**The Canadian  
Chamber of Commerce  
in Hong Kong**

## **The Canadian Chamber of Commerce in Hong Kong Submission for the Chief Executive's 2018 Policy Address**

When it comes to being a world class city and ease of doing business, Hong Kong is consistently ranked at the top. However, for Hong Kong to remain a key player on the world stage it must cultivate a robust ecosystem for businesses and innovation. This ecosystem can only flourish with the presence of visionary businesses, a diverse pool of talent, and a government with a forward-looking perspective.

### **A Place for Business to Prosper**

#### ***Support for Entrepreneurial Businesses, Innovation and Start-Ups***

There are some 1.3 million people in Hong Kong engaged in entrepreneurial businesses, innovation, and start-ups, including SMEs. It is evident that SME business owners and start-ups have a significant impact on Hong Kong's economy. Presently, there are several SME support programmes in place within various organizations. While the Chamber appreciates the enhanced funding schemes from the government to support local and foreign enterprises, there appears to be a lack of a systematic policy or one-stop shop related to Small Business and Entrepreneurs in particular, and SMEs in general. Therefore, we would like to propose the introduction of a coherent structure within the government to co-ordinate the implementation of a comprehensive and systematic policy under one roof.

#### ***Allowing Innovation to Boost Business Potential***

The digital age is creating new business in finance and creating an impetus to reform existing operations. CanChamHK welcomes the government's proactive funding measures to enhance innovation and technology opportunities in Hong Kong; initiatives such as the Hong Kong Monetary Authority's initiative to facilitate the development of virtual banks will encourage financial inclusion as well as raise the competitiveness of the banking sector. The Chamber encourages the government to digitize and consolidate the application process for government funding and incentives so that tech and R&D initiatives can have easier access to financial support.

#### ***Safeguarding Businesses from New Risks***

The changing financial services landscape also calls for strengthened regulatory policy aimed at safeguarding Hong Kong businesses from new risks. Financial crime compliance and cybersecurity remain top priorities for financial institutions operating in Hong Kong. Whilst innovating new

financial solutions and technologies, the government must fortify Hong Kong's resilience to financial crime so that it remains one of the most trusted financial centres to establish and carry out business. CanChamHK encourages the continuance of the Fraud and Money Laundering Intelligence Taskforce (FMLIT) and consideration of maintaining it on a permanent basis to maintain investor confidence in Hong Kong's financial market.

### ***Green Finance***

CanChamHK welcomes the government's commitment to encouraging green finance with the recent Pilot Bond Grant Scheme along with the Green Bond Programme. As the first phase of the Belt and Road initiative will focus on infrastructure lending, there is opportunity to meet increased financing demand through green bonds and green financing. Continued support of green finance will allow Hong Kong to leverage its unique position and bridge the gap between foreign investment and issuers of green bonds in mainland China, making Hong Kong's capital market a leader in the financing of green projects.

### ***A Crucial Link to the Greater Bay Area and Beyond***

With reliable experience as an international transportation, trade, and finance hub, Hong Kong can play a key role as part of the Guangdong-Hong Kong-Macau Greater Bay Area (GBA); however, success of the GBA as a whole requires close co-ordination between leaders of the participating regions in areas such as immigration, transportation, and tax policies to ensure that professionals, academics, goods, knowledge, and capital can move from region to region seamlessly.

### ***A Place for Hong Kong's Talent to Thrive***

#### ***Education-Business Collaboration***

The Canadian Chamber seeks to promote more productive collaboration between the education sector and the business community on employability programs to better prepare young people for a variety of workplace environments. Mentorship programs, internships for secondary and tertiary students, and work placements can have a powerful impact on students' development of key skills, while providing exposure to different industries and job functions that will help them better navigate their future careers. The Canadian Chamber and its peer organizations can play a

valuable convening role in compiling and sharing such opportunities through their networks, especially in empowering students who are underserved by existing programs.

### ***Access to Local Educational (and SEN) Resources for Non-Chinese Speaking (NCS) Children***

Many parents seek to enroll their children into the high-quality local education system but struggle to connect with the right schools and educators due to a lack of resources available in languages other than Chinese. This is especially true for parents whose children have special educational needs (SEN), for whom there are limited resources available. With the continued strain on the international education system and the anticipated increase in spending on education overall, the Chamber and its members are eager to work with the government to enable more parents to have access to the full range of educational options available in HK, regardless of linguistic background.

### ***Labour Shortages***

As Hong Kong's population ages and labour shortage becomes a growing concern, relevant policy departments should consider ways to increase the labour supply without forfeiting the SAR's existing policy to prioritize employment of local workers. CanChamHK welcomes the recent release of the talent list which not only includes tech professionals and engineers but also includes creators and sustainability professionals who can help make Hong Kong a more vibrant and sustainable city.

### ***Land Supply***

The Belt and Road and Greater Bay Area initiative will increase the cross-border flows of people, capital, and business. As such, identification of new land supply and/or creation of new land would be essential to support the development of infrastructure, business and innovation districts as well as residential land. As suggested in the Hong Kong 2030 Planning Vision and Strategy, there are several ways to create more housing supply for the Hong Kong residents. In addition to land reclamation, CanChamHK would encourage the government to consider further developing the brownfield program and strategy in Hong Kong.

### ***Diversity and Equality in the Workplace***

Hong Kong will continue to thrive as a leading city so long as diversity and inclusion become top government priorities across all sectors. Making Hong Kong a better place to live and work is essential to ensuring that growing industries attract and maintain top local and international talent.

CanChamHK applauds the ruling by the Court of Final Appeal on same-sex spousal visas, and urges the government to embrace the benefits of a diverse and inclusive society as it reviews its dependent immigration policy and anti-discrimination legislation in the coming months.

Gender equality in the workplace has become a key priority for many Hong Kong businesses. Despite the rising number of women entering the workforce, few are advancing to senior level management positions compared to men. While the Chamber appreciates the commitment to expand and increase access to childcare services in the 2017-2018 Policy Address, the government can consider doing more to enable primary caregivers the opportunity to work full time and reach senior positions by exploring policies that increase maternity *and* paternity leave so that both parents can share caregiving responsibilities.

## **A Place to Realize the Future**

### ***Moving Forward with Hong Kong's Smart City Blueprint***

CanChamHK welcomes continued advancement on Hong Kong's Smart City Blueprint. Considering Hong Kong's 10th place ranking in The Economist Intelligence Unit's Technological Readiness ranking with regards to world class infrastructure, there is no reason why it cannot hit the ground running when it comes to transforming into a digitally-integrated smart city that can deliver a higher quality of life for its citizens. However, progress on realizing the Smart City Blueprint cannot happen without an active open data program. Besides encouraging government departments to share data, Hong Kong could also invest resources into training civil servants so that they can publish and use high quality data.

With energy consumption increasing yearly, it is our hope that Hong Kong will embrace the opportunity to invest significantly more in energy efficiency & renewable energy to meet rising energy demands in commercial, transport, and industry sectors in a sustainable manner. Adoption of cleaner energy coupled with energy conservation as well as greener and smarter transportation will be one of the keys to helping Hong Kong reach its low-carbon transformation targets for 2030.

As part of the Guangdong-Hong Kong-Macau Greater Bay Area (GBA), Hong Kong would benefit from collaborating with cities in the GBA who have successfully implemented sustainable solutions. As an example, Shenzhen will have replaced its fleet of 16,000 fossil-fuel emitting public buses with electric ones this year. Working closely with cities in the Mainland that have successfully achieved such milestones will enable Hong Kong to better achieve its own goals in improving energy efficiency, air quality, green transport, and renewable energy, while decreasing waste.



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### ***Recommitment in Addressing Hong Kong's Waste Problem***

Hong Kong's waste generation remains higher than other developed Asian cities, putting enormous pressure on rapidly filling landfills. The use of single-use plastic persists despite public awareness campaigns. Stronger disincentives on the use of plastics in commercial and industrial sectors can be introduced, starting with reducing reliance on plastic bags, bottles, straws, and polystyrene containers.

The city's need for a clear and sustainable food waste strategy is also increasingly urgent, considering its growing volume and continued reliance on imported food. The government should consider providing more education and opportunities for commercial and industrial sectors to participate in food bank donations, food waste reduction, and recycling partnership schemes.

CanChamHK encourages the government to push forward with the Environmental Protection Bureau's Action Blueprint 2013-2022, and to introduce legislation in areas where public awareness campaigns have been unsuccessful in changing behaviour. Waste charging and producer responsibility schemes will help to ensure reduction of waste where possible.

### ***Central Harbourfront Site 3***

The strategic development of Site 3 is pivotal in positioning Hong Kong as a world class city. CanChamHK asks that the government prioritize high quality design and development, inclusivity, and sustainability with this rare opportunity to revitalize the city's image. Careful consideration should also be given to ensure accessibility for disabled persons, the elderly, and children, in addition to creating an example of sustainable development through the combination of green spaces and urban areas.