

# Hong kong's economic and sustainable growth policies



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Chief Executive Office of the Chief Executive Tamar Hong Kong

In my capacity as the Hong Kong General Chamber of Commerce, I take pressure to write to you express my views on specific economic policies which are the essential features of Hong Kong's economic development and the sustainable growth. From that perspective, the Hong Kong Government (HKSAR) should concern various factors within the region, in terms of the introduction of junk food tax, human resources and labour force, international trade and technological forces, environment protection and urban renewal planning etc, which are directly affected the social and economic conditions in Hong Kong. This paper addresses to how the HKSAR to reach this position and how it sustains its comparative advantages in conducting meaningful and purposive economic policies in short, medium and long-term over the next five years..

#### 1. Short-term goal: - The introduction of junk food tax

The Chamber suggests the introduction of junk food tax on fattening foods or beverages by the HKSAR. According to the 2012 Behavioural Risk Factor Survey (2012), it revealed that 36. 6% of the Hong Kong population aged 18 - 64 was classified as overweight. Therefore,

Junk food tax refers to a tax placed upon fattening foods or beverages on attempt to reducesaturated fatconsumption, from December 2011 to November 2012Denmarkintroduced

It is generating support in America, a country with rising obesity rates.

[http://www.tax-news.com/news/Healthy\\_Revenues\\_From\\_Mexican\\_Junk\\_Food\\_Tax\\_\\_\\_64781.html](http://www.tax-news.com/news/Healthy_Revenues_From_Mexican_Junk_Food_Tax___64781.html)

<http://cheaphealthygood.blogspot.hk/2010/03/junk-food-tax-reader-ideas-opinions-and.html>

<http://www.studymode.com/essays/Junk-Food-Tax-1398531.html>

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Hong Kong has a simple, predictable and low tax system.

## 2. Medium-term goal:- Human resources and labour force

As recently the 2014 Index of Economic Freedom report has mentioned that Hong Kong is rated as the freest economy in the world (Opulentus Overseas Careers Pvt Ltd 2015). The Chamber suggests the adoption of women workers that promotes a balanced and gender equality in our local labour market. Although some commented that the roles of women should be stayed at home to look after the children, it is even less true in the modern society. This is because the aging population and the low fertility rate will give rise to a population deficit, it leads the government encourage more women back to labour market (China Economic Net 2013).

As of the latest government edition of “ Women and Men in Hong Kong - key statistics” showed that there was shortage of men in Hong Kong. It represents there are only 864 men for every 1, 000 women (The Census and Statistics Department 2014). In order to develop women’s employment opportunities, the HKSAR may consider encouraging women to return to work by providing additional employment training and tools, for example, on-the- job training. Moreover, it would be good to introduce whole-day child

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care services and after-school care service which could eliminate the concern of working women for the well-being of their families. I believe such approaches are favourable to Hong Kong's economic growth and beneficial to economic production. This help to increasing the supply of labour and will raise labour productivity in medium-term.

### 3. Medium-term goal: International trade and technological forces

Following to the open door policy, Hong Kong is now a major trade and financial centre where depends heavily on trade. Nevertheless, many countries now regard Hong Kong as a developed economy and exclude its products from preferential export treatment, such as subject to quota requirements and suffer higher tariff rates (Augustine 2003, pp. 93-5). To tackle the trade restriction, the HKSAR should appeal to the World Trade Organization through international negotiation with foreign countries which able to promote the growth of industries and conduct the international trade relationships.

On the other hand, we recognise that developing a global network may also create a new global economy powered. With the rapid shopping online nowadays, the use and integration of information and communication technologies in business has revolutionized relationships within organizations and those between individuals and organizations (Totonchi & Kakamanshadi 2011, p. 270). Therefore, the HKSAR should bring about investment in technology innovation to enable cross-border trading activity without the constraints of business location, scale and time zone. It probably would imitate the shopping engine, like Tobo in China which has increased its e-

commerce offerings, makes online shopping easier and more efficient. This strategy allows Hong Kong to maintain substantial economy growth with the increased logistics demand and will bring in new revenue to the industry.

#### 4. Long-term goal:- Environment protection

Increasingly, global warming, holes in the ozone layer and population growth etc, are some of the major problems facing in our city. These caused adverse effects of our health and the image of the city. Responses to these problems seem likely to be driven by government. It is suggested that the HKSAR re-examine our environmental protection policies with the implementation of new sustainability policies to ensure Hong Kong people are in full awareness of environment protection and conservation. For example, a move by government to encourage the use of alternative sources of energy such as solar energy that is advocated energy saving living.

We are also highly recommended the HKSAR tend to plant as much as trees not only in our country parks, but also along the roadside and around the schools. This is because tree plantation in our community is to help offset the emission of carbon dioxide and stop the global warming. As a result, the standard of living will be increased and we will become healthier that enriched the life of Hong Kong people to future generation. Our economy will also grow and benefit from spending less on healthcare and increasing of the labour productivity.

#### 5. Long-term goal:- Urban renewal planning

It is no doubt that the land in Hong Kong is always a highly scare resource. In view of this, the HKSAR should take an active role in maximum the utilization <https://assignbuster.com/hong-kongs-economic-and-sustainable-growth-policies/>

of the scarce urban land. The Chamber suggests that undertaking high-density development as well as builds more public rental housing onto the housing market in the next five years. For example, the HKSAR could probably redevelop the old public housing estates to improve the quality of urban living and increase in housing supply. Effective land uses from high-density living will provide support to the HKSAR's long-term housing policy.

Subject to the high-density building development, it is not only helps provide scale economies, but also allows Hong Kong residents more likely to be affordable. These are also ideal help to reduce the pressure to develop open spaces and release more lands for social infrastructure and services. In the longer-term perspective, it is therefore to support economic stability and prosperity which is to meet the market demand.

<http://www.medwelljournals.com/fulltext/?doi=pjssci.2010.244.253>

Many countries embarked as rebuilding efforts, characterized by demolition of old dilapidated areas, large-scale clearance of city slums and construction of modern high-rises after the war. Large-scale redevelopment created many social problems and encouraged many city planners and scholars to question its effects and functionalities. Indeed, large scale renewal and redevelopment efforts have been criticized for neglecting the complexities of the urban fabric; it is not only uneconomical but also damages the city's heritage and degrades various socio-environmental qualities.

<http://ucsfhr.ucsf.edu/index.php/pubs/hrguidearticle/chapter-12-managing-diversity-in-the-workplace/>

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[http://en.ce.cn/subject/exclusive/201311/07/t20131107\\_1721448.shtml](http://en.ce.cn/subject/exclusive/201311/07/t20131107_1721448.shtml)

it would be good to introduce more specific incentives for women in the older age groups to upgrade their skills and knowledge

Our economy will grow and benefit from these changing demographics if businesses commit toOpulentus Overseas Careers Pvt Ltd

The Government welcomes more concerted efforts to build a more caring, compassionate and harmonious society. It is therefore most encouraging to note the growing interest of the business sector and the more affluent members of our community in poverty alleviation. We stand ready to work hand in hand with all sectors to improve the well-being of the disadvantaged and light up their lives with hope and dignity.

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