

## Remarks by CE at media session before ExCo (with video)

Following are the remarks by the Chief Executive, Mr John Lee, at a media session before the Executive Council meeting today (May 20):

Reporter: Good morning. I have two questions, one on the national security subsidiary, and the other on the Ocean Empire congee shop. For the national security, just wondering, why does the subsidiary (legislation) have to be passed within a week, even without your presence in Hong Kong? Does that give an impression that there was insufficient time for public discussion and LegCo (Legislative Council) scrutiny? Is the subsidiary legislation needed, because you foresee the likeliness for Beijing's national security office to exercise jurisdiction here, and would you be able to review the establishment of the office, as in how many staff? For Ocean Empire, the shutdown with bosses leaving workers' outstanding salaries to the Labour Department to handle, how do you see the trend of closures amid the poor economy, and is the trend worrying? And what's your take on some of what some see as irresponsible acts of not settling workers' pay and referring them to the Government? Thank you very much.

Chief Executive: I have said many times that national security risks are like viruses. The risks always exist around us, poised to cause harm. The world is currently undergoing unprecedented changes at an accelerating pace. Geopolitics is complex, and global instability is growing. It is imperative to complete the scrutiny of the subsidiary legislation as early as possible to ensure legal certainty. The subsidiary legislation does not grant new powers to the Office for Safeguarding National Security of the Central People's Government in the Hong Kong Special Administrative Region. It provides a clearer and more detailed description of the powers that already exist under the present law, thereby increasing legal certainty and precision.

I appreciate the work of the Legislative Council subcommittee for its serious and rigorous scrutiny of the subsidiary legislation. It took five hours, during which members raised over 150 questions and opinions. I also commend the government team for their work providing detailed explanations and responses to LegCo members' extensive and in-depth questions and comments. The Hong Kong National Security Law provides for the mandate of the Office. The subsidiary legislation refines the implementation rules. There are details and administrative matters of these provisions, making them clearer. It also clearly marks the boundaries of prohibited places of the Office, using co-ordinates. The Office has also put up notices within the prohibited places to inform the public of the boundaries. The subsidiary legislation also clarifies the assistance that public officers are required to provide under the law, providing clearer directions.

The serious and close scrutiny of the legislation and the quick result

of the subcommittee that scrutinised the subsidiary legislation reflect that the Executive and the Legislature are working together to safeguard national security in accordance with their constitutional responsibility and obligation.

Regarding some shops being closed, I have said previously that the economy is undergoing a transitional period. New demands and new likings are emerging. There are sectors which do well and some sectors which don't do as well. Some shops are closed, while many are opened. The number of registered companies in Hong Kong has reached a record high. By the end of last year, for example, local companies that are registered in Hong Kong reached 1.46 million, which is an increase of some 29 000 companies. This is thanks to the hard work of both the Office for Attracting Strategic Enterprises and Invest Hong Kong. For example, the Office for Attracting Strategic Enterprises has recruited 84 strategic enterprises, which will bring in direct investments of over \$50 billion. They will also create over 20 000 jobs. Invest Hong Kong has assisted enterprises to set up or expand in Hong Kong, and the figures show an increase of 13 per cent compared to the same period last year.

The Government Economist has recently announced that the GDP growth this year remains 2 to 3 per cent. The stock market is performing very well, and it is very active, with an average daily turnover (in April) amounting to \$270 billion, which is a 1.4-fold increase compared to the same period last year. There will be ups and downs in different sectors during this transitional period, but overall, we will see positive growth in our GDP this year.

The Government will also open up new emerging markets. The government team will continue to go to visit different parts of the world to create new business opportunities. It is important that we maintain confidence, reform ourselves, and keep ourselves competitive. We should have confidence to sail through this transitional period, which will end with an overall positive GDP growth. Thank you.

(Please also refer to the Chinese portion of the remarks.)