

14th September 2006

Mr. Donald Tsang Yam Kuen
Chief Executive, HKSAR

Sir,

Positive Non-intervention

In a statement at the Economic Summit on “China’s 11th Five-Year Plan” on Monday, you indicated that the Government has made no reference to the concept of “positive non-intervention” for a long time and that policy is therefore no longer applicable. We find this most astonishing.

In the budget debate in 2000 when you were the Financial Secretary, you referred to Sir Philip Haddon-Cave’s elaboration on the concept of “positive non-interventionism” as the basis for the Government’s position of minimum intervention. This created the public perception that the Government refused to play an active role in various policy areas because it believed in “positive non-interventionism”.

In view of the above, may we ask you to clarify the following:

1. When did the Government abandon “positive non-interventionism”? Before abandoning so fundamental a philosophy of governance, was there any public consultation or in-depth study?
2. What is the difference between “positive non-interventionism” which you have abandoned, and the “big market, small government” you purport to still uphold? What are the guiding principles in their application? Has any internal guideline been issued to policy bureaux?
3. Does your abandonment of “positive non intervention” signify that the Government has adopted a policy of interventionism? If so, will you please give a full explanation of this new policy? Does it mean that

Government will allocate more public funds to subsidize certain industries or businesses? If so, how will the Government ensure that allocation will not be affected by the lobbying of some sectors to the detriment of the overall best public interest?

4. Will the new policy mean that the Government will take on a more pro-active role in policies on labour, welfare, environmental protection, culture etc. in the active pursuit of sustainable development?
5. In any event, will you please explain how the new interventionist policy will operate, how, when and in what will Government intervene? What are the decision procedure and selection criteria? Will the increased level of government intervention be accompanied by an enhanced level of community participation in policy-making? How and to what extent will public participation be allowed?
6. Last but not least, have you considered the potential damage that is done to Hong Kong internationally if the Chief Executive of the HKSAR announces in this manner the abandonment of a policy which the Government in Hong Kong claims to have followed for so many years? And have you, or those advising you, considered what message this episode sends to international investors?

As the matter is of fundamental significance to the governance of the HKSAR which directly affects the general public, and any doubts would affect confidence in Hong Kong if sustained for any duration, may we ask you to clarify the above matters to the public as soon as possible. We would also appreciate an early meeting with you to discuss the relevant issues.

Yours faithfully



Audrey Eu
Party Leader
Civic Party