

Speech by Secretary for Transport and Housing at CUHK EMBA Annual Conference 2008 (English only)

Following is the speech by the Secretary for Transport and Housing, Ms Eva Cheng, at the CUHK EMBA Annual Conference 2008 today (October 4):

Professor (P C) CHING, Professor (Andrew) Chan, ladies and gentlemen,

Good afternoon. It is my pleasure to be with you today at the CUHK EMBA Annual Conference 2008. Through the hard work of the faculty and students, this programme has, over the years, soldiered up the international league to become one of the most prestigious and respected EMBA programmes. CUHK should be congratulated for this distinguished achievement.

Whoever chose the theme of this conference "New Perspective on Business Success in a New Era" has the attributes of a prophet. Professor Chan, I suggest that you add this exceptional quality to your core competencies. In the past few weeks, such seemingly innocuous words have taken on a completely new meaning. I don't know about the other speakers, but I, for one, scrambled to undo a great part of what I was going to say in the light of the financial tsunami we are witnessing. It is difficult to aptly describe people's feelings and reactions - most began with a mix of shock, anger and disbelief, and gradually we enter into a state of sobering reflection. Don't we all have something to learn over what is unravelling, whether from a country, city, company or individual perspective?

The CUHK EMBA programme will no doubt be a beacon under this new financial order. Modules such as Global Financial Systems and Corporate Governance, Marketing Management, and Financial Management will all be looked at from a fresh angle. Asia needs executives who will be able to respond to crises of the magnitude we are witnessing and we look to CUHK to

provide business leaders who can face up to challenges and weather many storms.

In face of such turmoil, the commitment of the HKSAR Government to undertake major infrastructure projects is strategically even more important. The Transport and Housing Bureau has the good fortune of being responsible for six of the 10 Major Infrastructure Projects put forward by the Chief Executive in his Policy Address last year. Of these projects, three involve cross-boundary infrastructure:

- the Hong Kong-Zhuhai-Macau Bridge;
- the Guangzhou-Shenzhen-Hong Kong Express Rail Link; and
- the Co-operation between the Hong Kong and Shenzhen Airports.

Together, these projects will change the face of connectivity between Hong Kong and the rest of the Pearl River Delta and beyond. The economic benefits are enormous. With the Hong Kong-Zhuhai-Macau Bridge, it will take only some 20 minutes to get from Zhuhai to the Hong Kong International Airport, compared with the current four-hour trip. The bridge will greatly expand Hong Kong's catchment area to the western part of the Pearl River Delta. The Guangzhou-Shenzhen-Hong Kong Express Rail Link is also of strategic significance. It will be an important inter-city express rail service linking West Kowloon with the heart of Guangzhou within 50 minutes. It also will connect Hong Kong with the 12 000 km national high-speed rail network and will fundamentally change the pattern of travel particularly with cities south of the Yangtze River - merely 5 hours to Wuhan and 8 hours to Shanghai without the hassle of security checks and delays particular to air travel.

When we make a business decision, we ask ourselves whether we have indeed made the right judgment call, and also whether the timing is right. For the decision to enhance our connectivity through infrastructure development, we are convinced that investing in our physical assets in terms of bridges, roads, tunnels and railways will benefit Hong Kong

in many respects. The resultant improvement in the people, cargo, investment and information flows between Hong Kong and other cities in the Pearl River Delta will further facilitate the co-operation and integration of our economies, thereby enhancing the overall competitiveness of the region. From Hong Kong's perspective, the cross-boundary infrastructure projects are essential for maintaining our status as an international financial centre and a maritime and aviation hub. I believe they will play a crucial role in sustaining Hong Kong's future economic development.

And the timing. To undertake major infrastructure works during a downturn is important to maintain public expenditure at a respectable level. A rough estimate of the added value to our economy brought about by the 10 Major Infrastructure Projects, on completion, may exceed \$100 billion with some 250 000 additional jobs created. And all these will be undertaken concurrent with the objective of controlling the size of the civil service which is not easy at all. Next time you meet a government engineer, do give them a pat on the back. They are doing a great job.

Ladies and Gentlemen, we've just had a tsunami and sure, the sea is very rough out there. On our part, the Government is committed to investing in our infrastructure and I firmly believe that this is a good and timely decision that we have made as we brace ourselves for the challenging times ahead. You have also made an excellent decision to prepare yourselves through this EMBA programme. I am sure this decision will bear good fruit. While I did mention at the beginning that Professor Andrew Chan is prophet material, he is not the most famous prophet who can calm a storm by issuing a command "Be Still!". However, I am sure he and his faculty members will help you chart your course skillfully, with great wisdom, poise and integrity.

Thank you.

Ends/Saturday, October 4, 2008

