

**Policy Address for the Fiscal Year 2011
of the Macao Special Administrative Region
(MSAR) of the People's Republic of China**

Summary

**Adopting a Scientific Approach to Public
Administration; Drawing a Blueprint for Future
Development**

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China (summary)**

**Adopting a scientific approach to public administration;
Drawing a blueprint for future development**

Over the past year, the new MSAR Government has stood united with the Macao people in upholding the Basic Law, and the fundamental principles of “One country, two systems”, “Macao people governing Macao” and a high degree of autonomy, with the full support of the central government.

Looking ahead to the coming year, we will continue to focus on the immediate needs and long-term interests of the whole community, pay heed to public

opinion, improve the people's well-being, and maintain social stability. The Government will promote the adequate diversification of industries, draw up the blueprint for developing Macao into a world travel and leisure hub, and remain committed to realising the goal of social and economic sustainability for Macao.

Improving the people's well-being

Allocating public resources rationally; vigorously conducting relevant studies; gradually realising our policy objectives; and improving the urban living environment.

Realising a quality urban life

- The Government will study the housing needs of the elderly, build more elderly care homes and expand the services of daycare centres. Plans are being developed to establish an inter-departmental task force on geriatric medicine, which will help to develop inpatient geriatric psychiatry services and set up geriatric departments in hospitals.
- The work on expanding the Emergency Service Building of Conde S. Januario Hospital has commenced, and it is designed to meet our social development needs for the coming decade. We will plan construction of an island medical complex, and collaborate with the University Hospital to launch emergency and rehabilitation services on the islands.
- We will lay down a plan to ensure adequate land supply, monitor market uncertainties, and formulate the work and supply schedule of public housing, with the objective of "Homes for All in a Contented Society"; press forward with the plan to build 19,000 public housing units in phases before the end of 2012.
- We will formulate long-term housing policy with a view to seeking equilibrium between public housing supply and the private property market; and enhance building management and maintenance.
- We will foster the continued improvement of transportation facilities, and

press ahead with construction of the Light Rapid Transit system, in line with the policy of “putting public transport first”.

- We will improve facilities at border checkpoints and ferry terminals, increase the number of self-service immigration clearance systems, enhance peripheral road transport facilities, and carry out work to link up neighbouring regions by cross-border road connections. We will further fine-tune the market positioning of the Macau International Airport, and study feasible investment plans.
- We will set up an environmental protection and energy conservation fund, with a start-up fund of 100 million patacas, to sponsor efforts by small and medium-sized enterprises and community groups to improve air quality and save energy and water.
- We will strive harder to improve the drainage system in order to relieve regions at risk of flooding; expedite efforts to renovate some wet markets and community facilities; construct a larger and better equipped permanent driving training and examination centre.
- A food safety centre will be established to enhance information exchanges and dissemination as well as collaboration among industry communities, local residents and the Government. We will also enhance supervision of imported fresh live food, and improve our ability to conduct animal inspections and quarantine.
- We will enhance human resources in the police force, introduce new police technologies and increase abilities to respond to emergencies, in order to fully protect the life and property of local residents and tourists.

Human Development

- We will constantly improve various recreational facilities and increase space for cultural and artistic performances; promote popular sports, and create more opportunities for physical training that caters to the needs of shift workers.
- We will organise various festive, cultural, artistic or exhibition events, in order to enliven the leisure life of local citizens. We will also organise a series

of activities celebrating the 100th anniversary of the Revolution of 1911.

- We will launch civic education at the community level, to build a harmonious community together with citizens.
- We will roll out an online reading programme for the whole population; kick-start the development of a public library system; and cultivate a love for reading in communities and schools.
- Support for academic research and publication will be increased, to strengthen local academic research teams; incentives will be given to promote local literary talent, to raise Macao's cultural profile.
- We will launch studies on technology strategies; promote popular science education; enhance regional technological cooperation; and cultivate local technological talent.
- We will increase resources earmarked for the development of education, to improve both teaching quality and facilities; draw up a ten-year plan for non-tertiary education; conduct studies on establishing a tertiary education fund; and push forward with the construction of the new campus of the University of Macau on Hengqin Island.
- The professional status of teachers will be enhanced and the all-round development of students will be boosted. We will give full play to the various roles of schools, families and society in building a healthy environment for the growth of young people, and continue to invite relevant government officials to conduct exchanges with young people and listen to their thoughts. Services and support for special education students will be increased, and support for their parents will be strengthened.

Adequate diversification of the economy

- In keeping with the Outline Plan for the Reform and Development of the Pearl River Delta and the Hengqin Island Overall Development Plan, we will develop Macao into a world travel and leisure hub; promote cooperation with the Pan-Pearl River Delta region, especially with Guangdong and Hong Kong; and foster economic exchanges between Guangdong and Macao. We will also strengthen mutual coordination with Guangdong of major planning,

interconnections between major infrastructure and promotion of mutual benefits in the social sphere.

- We will strive to press forward with the construction of the Chinese medicine industrial park on Hengqin Island that is a joint project of Guangdong and Macao, to develop a base for the development of the Chinese medicine and pharmaceutical industry that meets international standards.
- We will actively participate in international and regional conventions and promotion events, to bolster win-win tourism cooperation with multi-destination tours.
- We will foster the progressive transformation of the Zhuhai-Macao Crossborder Industrial Zone into a cross-border cooperation zone.
- We will encourage exchanges and mutual visits between Macao and Taiwan enterprises, community groups and individuals, strengthening the initiative of the private sector.
- Regulation of the gaming industry will be enhanced, to foster its optimal, gradual and healthy development.
- While maintaining the existing sources of tourists, we will develop potential markets and high-end tourism as well as products catering to sightseeing visits by families. We will also seek to extend the length of stay of tourists in Macao and boost their consumption.
- With the underground mall at Sai Van Lake Square as a trial location, we will develop a night market that showcases Macao cuisine and delicacies, as an integrated tourism project, after upgrading the relevant facilities through an open bidding process.
- We will fully support the development of the convention and exhibition industry, with the efforts of the Convention Industry Development Committee and the Convention Business Department of the Economic Services Bureau.
- We will look into the feasibility of establishing a cultural and creative industry fund, to practically boost the development of Macao's cultural and creative industries.

Human resources

- We will fully enforce the Law on Employment of Non-Resident Workers and the relevant bylaws, to combat the employment of illegal workers and safeguard the rights and interests of local workers.
- Vocational training for workers of each age group will be strengthened and occupational skills assessments will be standardised, to increase employment opportunities for local citizens and overall competitiveness.
- The Labour Relations Law, which has been enacted for two years, will be reviewed. We will strive to reconcile conflicts between employers and employees, and ultimately enhance social harmony.
- As the Employment Framework Law clearly mandates the stipulation of minimum wages and their regular review, the Government will officially initiate discussions between employers and employees on the issue of minimum wages. It is hoped that relevant work will commence next year.
- Non-resident workers and professional skilled workers will be imported in numbers sufficient to overcome any shortfalls in local human resources.

Supporting small and medium-sized enterprises

- The SME Assistance Programme and the Loan Credit Assurance Scheme will be refined, and financial incentive plans will be launched to facilitate business for small and medium-sized enterprises. We will help small and medium-sized eateries to improve their smoke exhaust systems through the Environmental Protection and Energy Conservation Fund.
- We will accelerate the processing of applications for the importing of non-resident workers by small and medium-sized enterprises, and ensure adequate human resource training for these enterprises.
- The second-phase scheme for assisting long-established and unique small or medium-sized restaurants will be launched, to help them overcome business difficulties.
- We will increase support for the activities of the Dynamic Macao Week, and fully utilise the Mainland and Macao Closer Economic Partnership Arrangement (CEPA), to help local enterprises to expand their businesses into mainland China.

Proposed tax cuts and waivers, financial allowances and subsidies:

- 25 percent reduction in personal income tax for all employed citizens, coupled with an increase in the basic allowance for personal income tax to 144,000 patacas;
- Waivers of all business taxes; hawker licence fees; wet market stall rents; and stamp duties on life insurance, non life insurance and bank service charges;
- Waivers of signboard taxes (excluding tobacco and cigarette signboards) for businesses; exemption from tourism tax for restaurants;
- Waiver of the first 3,500 patacas of real estate tax;
- Increase of the profit tax allowance from 32,000 patacas to 200,000 patacas;
- Waiver of stamp duties on entrance passes and tickets for cultural and arts performances, exhibitions and entertainment programmes;
- Waiver of the real estate stamp duty on the first three million patacas of a home's value for Macao permanent residents purchasing residential properties for the first time;
- Temporary housing subsidies to eligible families on the waiting list for public housing;
- Financial allowances to low-income, full-time employees
- Electricity fee subsidies to residential households;
- Textbook allowances of 1,500 patacas per school year to all eligible Macao school students;
- Financial assistance to families with difficulties, as well as special subsidies and special living allowances to three categories of disadvantaged families;
- Old-age Allowance of 5,000 patacas to elderly Macao permanent residents;
- Continuation of the Healthcare Voucher Scheme to improve community medical service networks and the quality of medical services;
- Tax exemption for environment-friendly light vehicles, with up to 60,000 patacas of tax waivers per vehicle;
- Launch of the Continuing Education Programme to encourage residents to pursue continuing education and training courses. Under the programme, which is estimated to cost 500 million patacas, Macao residents aged 15 or above will receive a subsidy for a period of three years, subject to a maximum ceiling of 5,000 patacas per applicant;
- Injection of 6,000 patacas into each eligible Central Provident Fund account,

to enhance the two-tier social security system; and a cash handout of 4,000 patacas to every permanent resident and 2,400 patacas to every non-permanent resident; and

- Amendments to the Regulations on Urban Property Tax, to reduce the rate of property tax. This will relieve the tax burden on residents, and promote development of the residential leasing market.

Looking Ahead

Promoting all aspects of human development, and fostering the building of a harmonious, inclusive and caring society with forward-looking aspirations and vision.

Raising the Quality of Life

- Initiate urban planning and preparation work for the five new reclaimed areas, and reserve land for public housing; lay down a draft of the Master Plan for Macao's New Districts;
- Establish triple safeguards comprising the Social Security Fund, the Central Provident Fund and individual savings, so residents can prepare for a better retirement;
- Study the feasibility of a gradual transition from the interim Wealth Partaking Scheme that is presently in effect, to a long-term social welfare system under the Central Provident Fund, so that Macao residents can further share in the fruits of Macao's economic development;
- Formulate long-term welfare policies for the elderly, and support the "Aging in place" policy; promote respect for the elderly in families, society and schools; and
- Further improve the healthcare system, to provide residents with better healthcare protection and services, in accordance with the Plan for Perfecting the Medical and Healthcare System.

Sustainable Development

- Strengthen positioning of Macao's development in tandem with the national "12th Five-Year Plan", to promote regional collaboration and cooperation between Guangdong, Hong Kong and Macao;
- Reinforce Macao's role as the service platform of China and Portuguese-speaking countries; promote economic and trade cooperation amongst mainland China, Portuguese-speaking countries and Macao; facilitate economic and trade cooperation with European Union nations; and leverage the platform of the Pan-Pearl River Delta Regional Cooperation and Development Forum to strengthen economic, trade and tourism cooperation with ASEAN countries;
- Take the initiative to support the state's policies to reduce greenhouse gas emissions and undertake the responsibilities agreed in the Kyoto Protocol. Initiatives include gradual addition of emission reduction facilities, research and development of applications of renewable energy, promotion of eco-friendly consumption, and improvement in our environmental protection infrastructure;
- Expand the human resources database of the tertiary education sector to include other industries, in order to establish a comprehensive database of human resources in Macao;
- Support Macao's young generations with three pillars: knowledge, opportunities and government support; encourage young students to develop a correct outlook on life and strengthen their patriotism; and
- Conduct the decennial population census, to further the research on population policies we have already rolled out.

Scientific Administration

The Government will adopt more scientific, open and democratic policy-making processes, to realise "Sunshine Government".

- Promote implementation of central coordination and management systems for civil servants, and implementing central recruitment and promotion

mechanisms;

- Strengthen the Commission Against Corruption's supervision of public authorities and private organisations, to combat illegal activities;
- Monitor public resources, to improve the quality and efficiency of all auditing projects;
- Implement the Standard Guidelines on Public Policy Consultations, to improve communications between the authorities and residents, giving residents more opportunities to participate in policy-making processes;
- Further improve the Government spokesperson system, which should more proactively deliver to the public the latest information concerning policies or unexpected events;
- Establish the Policy Research Office, to provide the Chief Executive with analytical references concerning structural problems and development trends in society; and
- Introduce amendments to the System of Seniority Premiums, Housing Allowances and Family Allowances, and raise each point on the civil service salary scale to 62 patacas.

Establishing Effective Systems

Strengthening all existing systems and enabling society to keep abreast of the times.

- Introduce new regulations and measures to reinforce the accountability system for officials and demonstrate the accountability of governance; the Government requires officials of every rank to strictly abide by and enforce the Basic Law and related international conventions and laws;
- Improve communications with the Legislative Assembly, enhance the central coordination mechanism of law drafting and revision, and draw up plans for legislative work;
- Expedite the revision of the Land Law, with the aim of effectively supervising land use and land resources in the Macao SAR;
- Expedite the legislative process of the Cultural Heritage Protection Law, in

order to strengthen resident's awareness of cultural heritage protection;

- Introduce amendments to the environmental protection laws and regulations in line with the legislation of the Prevention and Control of Smoking Bill, to more effectively control sources of air pollution;
- Conduct a study on introducing an assessment system that will invite overseas rating organisations to assess local tertiary educational institutions, and assist them with enhancing teaching quality;
- Look into the feasibility of establishing a certification / accreditation system for professionals that recognises the status of professionals, and regulates the related mechanisms for accreditation training and examination;
- Establish a fiscal reserve system appropriate to Macao's actual situation;
- Put the Social Security Fund under the policy portfolio of social affairs and culture and the Pension Fund Authority under the policy portfolio of administration and justice; and merge the Legal Reform Office with the International Law Office to better coordinate work on legislation;
- Revise the Press Law and the Broadcasting Law; and
- Take a proactive but prudent approach to the future development of the MSAR's political system, on the basis of broad social consensus.

Conclusions

We believe that if we join hands and work hard with all Macao residents with a common goal and purpose, we can build on the existing foundation to drive adequate diversification and continuous self-perfection for Macao. We can then transform Macao into a city that is culturally diverse, thriving and peaceful, with a quality living and business environment that can develop sustainably.