

Result Announcement of Registration of Subscription Intention of HKMC Annuity Plan

The following is issued on behalf of the Hong Kong Monetary Authority:

HKMC Annuity Limited (HKMCA), wholly-owned by The Hong Kong Mortgage Corporation Limited (HKMC), announced today (August 10) the first tranche of HKMC Annuity Plan records a total of 9 410 registrations of Subscription Intention. The total subscription amount and the average subscription amount stand at around HK\$4.94 billion and HK\$525,000 respectively* (see Annex).

The HKMCA officially launched the Plan on July 5, announcing the issue limit for the first tranche of the Plan would be HK\$10 billion. The HKMCA confirms to satisfy the subscription demand of all of the applicants, and to fully allot all of the applicants their Intended Subscription Amounts, as the total subscription amount falls within the issue limit. The final premium amounts will however be subject to the results of the financial needs analyses.

The Executive Director and Chief Executive Officer of the HKMCA, Mr Edmond Lau, said, "We are satisfied with the overall outcome of the launch of the Plan. The promotional campaign this time has encouraged widespread discussion in the community related to life annuities and other retirement financial planning products. As life annuities are relatively new long-term insurance products, the public will require more time to comprehend the concepts and features. The HKMCA will continue to implement and strengthen the promotional work, in order to increase the public understanding about life annuities, and to lay a good foundation to the development of the local annuities market."

The HKMCA will complete the allotment and distribution work at the soonest, and will mail the allotment result notices to all applicants within one week starting from September 17. The HKMCA will then arrange the applicants to Agent Banks or the HKMCA Application Servicing Centre based on the random balloting results to complete the application procedures starting from late September. The HKMCA will strive to complete the distribution process by the end of October.

As for the distribution of the Intended Subscription Amounts, around 30 per cent (2 854) of the applicants registered their intent to subscribe for HK\$1 million. Around 54 per cent (5 126) of the applicants registered their intent to subscribe for HK\$500,000 or above. Around 62 per cent (5 827) of the applicants are aged 65 to 69. Around 23 per cent (2 160) of them are aged 70 to 74. Only around 15 per cent (1 423) of them are aged 75 or above**.

The Plan is an insurance product. The insured can immediately receive a

guaranteed stream of fixed income after paying a single premium. The annuity is payable monthly for the whole of life of the insured. The objectives of the Plan are to provide an additional and reliable retirement financial planning option to people aged 65 or above, and to promote the development of the local annuities market.

For public enquiries, please call 2512 5000.

*The above total and average subscription amounts are the preliminary figures. All the figures are subject to the verification by the HKMCA.

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[HK-New Zealand protocol to tax treaty in force](#)

The second protocol to the Comprehensive Avoidance of Double Taxation Agreement between Hong Kong and New Zealand (CDTA) entered into force yesterday (August 9), a government spokesman said.

The second protocol was signed in June last year and amends the CDTA to pave the way for implementing automatic exchange of financial account information in tax matters with New Zealand on a bilateral basis. It came into force after completion of ratification procedures on both sides, and shall have effect in respect of Hong Kong tax for any year of assessment beginning on or after April 1, 2019.

[Three illegal workers jailed](#)

Three Pakistani illegal workers holding recognisance forms were jailed by Shatin Magistrates' Courts yesterday (August 9).

During operation "Twilight" conducted on July 9, Immigration Department (ImmD) investigators raided a construction site in Tsim Sha Tsui. Three male Pakistani illegal workers, aged 22 to 36, were arrested. When intercepted, they were doing construction work. Upon identity checking, they produced for inspection recognisance forms issued by the ImmD, which prohibit them from taking employment. Further investigation revealed that they were non-refoulement claimants. In addition, two of them were also suspected of using

and being in possession of identity cards relating to other persons. An employer suspected of employing the illegal workers was arrested and the investigation is ongoing.

The three illegal workers were charged at Shatin Magistrates' Courts yesterday with taking employment after landing in Hong Kong unlawfully and remaining in Hong Kong without the authority of the Director of Immigration or while being a person in respect of whom a removal order or deportation order was in force. They pleaded guilty to the charges and were sentenced to 15 months' imprisonment. In addition, two of them were also charged with using identity cards relating to other persons and were sentenced to 15 months' imprisonment. All sentences are to run concurrently, making a total of 15 months' imprisonment.

The ImmD spokesman warned that, as stipulated in section 38AA of the Immigration Ordinance, illegal immigrants or people who are the subject of a removal order or a deportation order are prohibited from taking any employment, whether paid or unpaid, or establishing or joining in any business. Offenders are liable upon conviction to a maximum fine of \$50,000 and up to three years' imprisonment. The Court of Appeal has issued a guideline ruling that a sentence of 15 months' imprisonment should be applied in such cases.

The spokesman also warned that it is an offence to use or possess a forged Hong Kong identity card or an identity card relating to another person. Offenders are liable to prosecution and a maximum penalty of a \$100,000 fine and up to 10 years' imprisonment.

The spokesman reiterated that it is a serious offence to employ people who are not lawfully employable. The maximum penalty is imprisonment for three years and a fine of \$350,000. The High Court has laid down sentencing guidelines that the employer of an illegal worker should be given an immediate custodial sentence. According to the court sentencing, employers must take all practicable steps to determine whether a person is lawfully employable prior to employment. Apart from inspecting a prospective employee's identity card, the employer has the explicit duty to make enquiries regarding the person and ensure that the answers would not cast any reasonable doubt concerning the lawful employability of the person. The court will not accept failure to do so as a defence in proceedings. It is also an offence if an employer fails to inspect the job seeker's valid travel document if the job seeker does not have a Hong Kong permanent identity card. The maximum penalty for failing to inspect such a document is imprisonment for one year and a fine of \$150,000.

Under the existing mechanism, the ImmD will, as a standard procedure, conduct initial screening on vulnerable persons, including illegal workers, illegal immigrants, sex workers and foreign domestic helpers, who are arrested during any operation, with a view to ascertaining whether they are trafficking in persons (TIP) victims. When any TIP indicator is revealed in the initial screening, the officers will conduct a full debriefing and identification by using a standardised checklist to ascertain the presence of TIP elements, such as threat and coercion in the recruitment phase and the

nature of exploitation. Identified TIP victims will be provided with various forms of support and assistance, including urgent interference, medical services, counselling, shelter, temporary accommodation and other supporting services. The ImmD calls on TIP victims to report crimes to the relevant departments.

Update on number of dengue fever cases

The Centre for Health Protection (CHP) of the Department of Health today (August 10) reported the latest number of cases of dengue fever (DF), and again urged the public to maintain strict environmental hygiene, mosquito control and personal protective measures both locally and during travel.

From July 27 to August 9, the CHP recorded four confirmed DF cases. All patients had been to Thailand during the incubation period.

As of yesterday (August 9), 55 cases had been confirmed this year, all of which were imported cases. The cases were mainly imported from Thailand (25), the Philippines (10) and Cambodia (seven).

DF remains endemic in some areas in Asia and beyond. The latest figures for 2018 reveal that 41 094 cases have been recorded in Thailand, 1 663 in Singapore (since December 31, 2017) and 73 in Japan. Thirteen local cases have been recorded to date in Taiwan in 2018. In the Americas, the latest figures indicate that 18 837 cases have been filed in Mexico in 2018.

The public should take heed of the following advice on mosquito control:

- Thoroughly check all gully traps, roof gutters, surface channels and drains to prevent blockage;
- Scrub and clean drains and surface channels with an alkaline detergent compound at least once a week to remove any deposited mosquito eggs;
- Properly dispose of refuse, such as soft drink cans, empty bottles and boxes, in covered litter containers;
- Completely change the water of flowers and plants at least once a week. The use of saucers should be avoided if possible;
- Level irregular ground surfaces before the rainy season;
- Avoid staying in shrubby areas; and
- Take personal protective measures such as wearing light-coloured long-sleeved clothes and trousers and apply insect repellent containing DEET to clothing or uncovered areas of the body when doing outdoor activities.

To reduce the risk of infections spread by mosquitoes, apart

from [general measures](#), travellers returning from affected areas should apply insect repellent for 14 days (DF) or at least 21 days (Zika virus infection) upon arrival in Hong Kong. If feeling unwell, seek medical advice promptly and provide travel details to the doctor. DEET-containing insect repellents are effective and the public should take heed of the tips below:

- Read the label instructions carefully first;
- Apply right before entering an area with risk of mosquito bites;
- Apply on exposed skin and clothing;
- Use DEET of up to 30 per cent for pregnant women and up to 10 per cent for children*;
- Apply sunscreen first, then insect repellent; and
- Re-apply only when needed and follow the instructions.

* For children who travel to countries or areas where mosquito-borne diseases are endemic or epidemic and where exposure is likely, those aged 2 months or above can use DEET-containing insect repellents with a DEET concentration of up to 30 per cent.

The public may refer to the CHP's [tips for using insect repellents](#) for details.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Friday, (August 10), 2018 is 104.4 (up 0.4 against yesterday's index).