

Transcript of remarks at press conference on new initiatives on housing

â€‹ The Chief Executive, Mrs Carrie Lam, together with the Financial Secretary, Mr Paul Chan; the Secretary for Transport and Housing, Mr Frank Chan Fan; and the Secretary for Development, Mr Michael Wong, held a press conference on new initiatives on housing this afternoon (June 29). Below is the transcript of remarks at the press conference:

Reporter: Three questions. Hong Kong's property prices have been increasing for 26 straight months as of May. Are these policies the Government's best try in providing immediate relief to unaffordable housing? Secondly, regarding making subsidised housing more affordable, does the Government expect this policy will lead to increasing demand? The Government has been lagging in providing more subsidised housing to people, and people are deeming subsidised housing schemes as the big lottery. Does the Government have any plan to cope with even higher demand at this stage?

Chief Executive: First of all, as I've said at the outset, there is no objective in this package to suppress property prices, and I don't expect the society to measure the effectiveness of this package of measures by the trend in Hong Kong's private residential property prices. That's point number one. But of course I hope that we will not be seeing another upsurge in property prices, because that is really making private housing very unaffordable by the people of Hong Kong.

The second question is, yes, there has been a school of thought that when supply is lagging behind demand in terms of subsidised sale flats, why do you make these flats even more attractive and affordable? This is a chicken and egg question. The other concern I've heard in the past two months said: Why do I contribute to any discussion on land supply if more land supply doesn't mean I could buy the flat? The flats are unaffordable even in terms of Home Ownership Scheme. So I feel that the proper way is, let's have a very reasonable housing policy, let's assure the public that the houses or the flats that we are going to build will be affordable, at least in the subsidised sector. It will be affordable, because we have already delinked it from the private property prices and linked it with the household income. And with that, hopefully people will be more forthcoming in contributing their ideas and views to the land supply task force public consultation. We will work very hard on the land supply, and with the land we are very willing to build more. As you can see, we are reallocating some private housing sites for subsidised sale flats, and we now have a pricing policy which I hope will address once and for all the concerns of the people expressed to us in recent years.

Reporter: I want to ask as there are suggestions about, well, increasing for

the vacancy tax. Instead of giving a flat rate, you should increase the tax according to the number of years that the developers are keeping the flats vacant – is that something that you are considering? And also, another suggestion of imposing a capital gains tax on non-permanent residents who are owning flats in Hong Kong. I mean, are these options that you are also considering? Have you considered these options to make better use of Hong Kong's housing resources? And also, you mentioned that these measures you introduced today are not for taming the property prices in Hong Kong, so do you have anything in mind that you're going to do, because we're seeing prices going up and up and up? Thank you.

Chief Executive: I'll answer the last point and then invite the Financial Secretary to address the two questions concerning taxes in Hong Kong. Well, the best solution to tackle rising property prices is supply. That's why I made a further appeal: please focus and participate in the ongoing public discussion on land supply. Without land supply, even if I were to make the HOS flats even cheaper, or free of charge, I just don't have land to build these flats for the people. So the solution lies really in supply.

Financial Secretary: Thank you CE. As to the rate of additional rates, at the moment it is set at 200 per cent of rateable value, which can be translated into about 5 per cent of the property price. We consider that this is an adequate measure, but of course we keep an open mind. As you know, this bill will go through the Legislative Council, but at this stage we do think that 5 per cent of the property price, in the form of additional rates, is appropriate. As to your question about whether we should consider capital gains tax on foreign owners of Hong Kong property, currently we do not have that plan, but I won't rule out that possibility.

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

HKETO in Wuhan hosts Reception for the 21st Anniversary of the Establishment of the Hong Kong Special Administrative Region (with photos)

The Hong Kong Economic and Trade Office in Wuhan (WHETO) today (June 29) held the Reception for the 21st Anniversary of the Establishment of the Hong Kong Special Administrative Region (HKSAR) in Wuhan, Hubei province. Around 150 guests attended the reception, including representatives from various government departments and authorities, consulates and related institutions, chambers of commerce and corporations in Hubei and Wuhan as well as Hong Kong

people and students staying in Wuhan and representatives from Hong Kong and Macao Affairs Offices in Hunan, Henan, Jiangxi and Shanxi.

In his welcoming remarks, the Director of the WHETO, Mr Vincent Fung, said that since Hong Kong's return to the motherland 21 years ago, the socio-economic development of the HKSAR has been progressing steadily and firmly under the framework of the country's constitution and the Basic Law. Along with key national policies such as the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Bay Area development, Hong Kong will leverage its own advantages to perform the role of "super-connector" to contribute to the economic development of the country and Hong Kong, he added.

Thematic exhibitions on the Basic Law, the Belt and Road Initiative and various talent migrant admission scheme were also held at the reception so as to increase the participants' understanding on these matters.



Fatal traffic accident in Cheung Chau

Police are investigating a traffic accident in Cheung Chau this morning (June 29) in which a 57-year-old man died.

About 10.45am, a village vehicle driven by a 57-year-old man was travelling along Cheung Chau Sports Road towards Ming Fai Road. When approaching a hotel, it reportedly lost control and side-turned.

Sustaining serious head injuries, the driver was taken to Pamela Youde Nethersole Eastern Hospital by helicopter where he was certified dead at 10.30pm.

Investigation by the Special Investigation Team of Traffic, Hong Kong Island is underway.

Anyone who witnessed the accident or has any information to offer is urged to contact the investigating officers at 3660 6838, 3660 6849 or 3660 6800.

HyD and BD receive a preliminary load test proposal submitted by MTRCL regarding incident relating to construction quality of Hung Hom Station platform

Regarding the incident relating to the construction quality of the Hung Hom Station platform of the Shatin to Central Link (SCL), the MTR Corporation Limited (MTRCL) submitted a preliminary load test proposal prepared by an independent third-party expert to the Highways Department (HyD) and the Buildings Department (BD) on June 22 upon the HyD's request. The HyD and the BD are carefully examining the proposal. On this, the BD will also listen to the views of an overseas structural construction safety expert appointed by it.

After incorporating the comments from the BD, the HyD will reply to the MTRCL as soon as possible, hoping that the MTRCL will submit the detailed proposal to the government for examination as soon as possible so that the relevant comprehensive testing work could be carried out as early as possible to verify the loading capacity of the platform structure concerned in order to relieve public concern.

Hong Kong Customs seizes suspected dangerous drugs (with photos)

Hong Kong Customs seized a batch of suspected dangerous drugs, including about 1.2 kilograms of suspected methamphetamine and about 260 grams of suspected cocaine, with an estimated market value of about \$900,000 in total at Hong Kong International Airport on June 27 and yesterday (June 28).

Customs officers inspected a parcel from Rwanda on June 27 and found about 1.2 kilograms of suspected methamphetamine concealed inside five vehicle rear-view mirrors. After investigation, Customs officers yesterday arrested a 35-year-old man suspected to be in connection with the case in Yuen Long.

A 40-year-old female passenger arrived in Hong Kong from Spain via Qatar yesterday afternoon. During Customs clearance, the female passenger discharged suspected cocaine weighing about 260 grams. She was then arrested by Customs officers.

Investigations are ongoing.

Under the Dangerous Drugs Ordinance, trafficking in a dangerous drug is a serious offence. The maximum penalty upon conviction is a fine of \$5 million and life imprisonment.

Members of the public may report any suspected drug trafficking activities to the Customs 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).

