

LCQ3: Revenues from stamp duties and land premiums

Following is a question by the Hon Lau Kwok-fan and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (April 28):

Question:

Regarding the revenues from stamp duties and land premiums, will the Government inform this Council, in each of the past five financial years:

(1) of the respective total amounts of stamp duties charged on agreements for sale, conveyances on sale or leases of (i) residential properties and (ii) non-residential properties, as well as the respective percentages of such amounts in the total government revenue for that year; if a breakdown of the stamp duty for these two types of properties is not available, whether it will compile such statistics, so as to enhance the transparency of government revenue;

(2) of the respective total amounts of stamp duties charged from the (i) Buyer's Stamp Duty, (ii) Special Stamp Duty and (iii) ad valorem stamp duty at the rates at Scale 1; and

(3) of the total amount of revenue from land premiums and its percentage in the total government revenue for that year?

Reply:

President,

My response to each part of the Member's question is set out below:

(1) The amount of stamp duties collected from sale and purchase of residential and non-residential properties (including agreements for sale and conveyances on sale) and leases, and the percentage of total government revenue accounted for by such amount in each of the past five financial years are tabulated below:

Financial year	Stamp duty on sale and purchase of residential properties		Stamp duty on sale and purchase of non-residential properties		Stamp duty on leases of residential and non-residential properties (Note 3)	
	Amount (\$ million) (Note 2)	Percentage of total government revenue	Amount (\$ million) (Note 2)	Percentage of total government revenue	Amount (\$ million)	Percentage of total government revenue
2016-17	31,547	5.5%	8,006	1.4%	597	0.1%
2017-18	45,038	7.3%	13,991	2.3%	663	0.1%
2018-19	39,543	6.6%	9,875	1.7%	725	0.1%
2019-20	29,791	5.0%	5,107	0.9%	672	0.1%
2020-21 (Note 1)	30,895	5.7%	4,159	0.8%	591	0.1%

(2) The amounts of Buyer's Stamp Duty (BSD), Special Stamp Duty (SSD) and ad valorem stamp duty (AVD) at Scale 1 rates collected in each of the past five financial years are tabulated below:

Financial year	BSD (\$ million) (Note 4)	SSD (\$ million) (Note 4)	AVD at Scale 1 rates	
			Residential properties (\$ million) (Note 2)	Non-residential properties (\$ million) (Note 2)
2016-17	7,140	250	11,114	7,945
2017-18	9,351	308	10,062	13,973
2018-19	8,147	325	14,244	9,512
2019-20	4,896	206	8,416	5,068
2020-21	2,768	219	6,745	3,025

(3) The total amount of land premium and the percentage of total government revenue accounted for by such amount in each of the past five financial years are tabulated below:

Financial year	Land premium (\$ million)	Percentage of total government revenue
2016-17	127,970	22.3%
2017-18	164,811	26.6%
2018-19	116,861	19.5%
2019-20	141,728	24.0%

2020-21 (Note 1)	88,713	16.3%
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Note 1: The amount of total government revenue in the 2020-21 financial year refers to the revised estimate

Note 2: The amount does not include further stamp duty (applicable where the stated consideration is below the value of the property), fixed duty and penalty, and has not been adjusted due to refund

Note 3: As stamp duty payable on a lease is calculated by reference to the rent and lease term, those who submit stamping applications are not required to provide information on the types of properties to the Inland Revenue Department, and hence no breakdown of the statistics is available

Note 4: The amount does not include penalty and has not been adjusted due to refund

LCQ16: Macroeconomic data of Hong Kong

Following is a question by the Hon Luk Chung-hung and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (April 28):

Question:

Regarding the macroeconomic data of Hong Kong, will the Government inform this Council:

(1) of the (i) compensation of employees (CoE), (ii) gross operating surplus (GOS), (iii) ratio of CoE to Gross Domestic Product (GDP) (i.e. labour's share of national income) and (iv) respective contributions of CoE and GOS to rate of change in nominal GDP in percentage-point, in each year from 2012 to 2020; and

(2) when conducting a test by applying a time-series econometric model, how the changes in the labour's share of national income in Hong Kong during the aforesaid period were affected by the following determinants: (i) trade openness, (ii) the size of public sector, (iii) the statutory minimum wage, (iv) the year-on-year growth in real GDP and (v) technological progress?

Reply:

President,

After consulting the Census and Statistics Department and the Office of the Government Economist, my reply to Hon Luk Chung-hung's question is as follows:

(1) According to the Census and Statistics Department's latest data up to 2019, the relevant statistics are set out at Annex.

(2) Labour's share of national income, measured in terms of the ratio of compensation of employees (CoE) to Gross Domestic Product (GDP), is commonly used as a crude indicator of income distribution among labour and capital in an economy. Between 2012 and 2019, the ratio of CoE to GDP hovered around 52 per cent, indicating a broadly stable labour's share of national income.

Using the time-series econometric model in the box article "Labour's share of national income in Hong Kong" in the "2013 Economic Background and 2014 Prospects" published by the Government and updating the analysis with data up to 2019, the results show that trade openness, size of public sector, Statutory Minimum Wage, year-on-year growth in real GDP, and technological progress all have statistically significant impacts on Hong Kong's labour's share of national income. In gist, trade openness is negatively correlated to labour's share of national income, while size of public sector, Statutory Minimum Wage, and technological progress are positively correlated to labour's share of national income.

Yet, it is worth noting that labour's share of national income will also be affected by other factors, such as economic structure and educational attainment of the labour force, and these other factors may also interact with the aforementioned five factors. Hence, the above simple econometric analysis is only meant to provide crude statistical results for reference, instead of conducting a thorough analysis on the change in the respective share.

[LCQ13: Cultivating sense of belonging towards country and sense of national identity among students](#)

Following is a question by the Hon Leung Che-cheung and a written reply by the Secretary for Education, Mr Kevin Yeung, in the Legislative Council today (April 28):

Question:

The Secretary for Education indicated last month that the Education

Bureau (EDB) was cultivating among students a sense of belonging towards the country and a sense of national identity through multiple means, such as revising school curriculum, providing guidelines on teaching materials, and implementing extra-curricular activities. The EDB will also distribute a set of books entitled My Home is in China to all primary and secondary schools in Hong Kong for use as teaching materials. In this connection, will the Government inform this Council:

(1) how the EDB ensures that teachers will make good use of the various means to help student foster correct values and acquire the relevant knowledge, as well as build up a strong sense of belonging towards the country and a strong sense of national identity;

(2) whether the EDB will gain an understanding, through inspections, of how teachers teach the relevant knowledge within and outside the classroom, so as to ensure that teachers use the teaching materials appropriately and accurately; and

(3) whether the EDB will formulate key performance indicators for evaluating the performance of teachers in the relevant educational work?

Reply:

President,

The Education Bureau (EDB) attaches great importance to cultivating students' positive values, attitudes and behaviour, and designates "National Identity" as one of the education goals and priority values. It is the responsibility of schools to help students cultivate positive values and acquire knowledge, and foster a strong sense of belonging to the country and national identity. The EDB has been adopting a "multi-pronged and co-ordinated" approach to support schools in promoting values education, national education and national security education. Through various means, such as issuing guidelines to schools, updating the curriculum, developing diversified learning and teaching resources, providing training for teachers, as well as organising activities and exchange programmes for students, schools are enabled to cultivate students' sense of belonging towards the country within and outside the classroom, help students acquire an understanding of our country and a sense of national identity so that they will be concerned about society, the nation and the world, and become citizens who are responsible, appreciative of Chinese culture and committed to society and the country.

Our reply to the questions raised by the Hon Leung Che-cheung is as follows:

(1) Different subjects in primary and secondary schools, such as General Studies for the primary level, Life and Society, Chinese History, History and Geography for the secondary level contain curriculum content illustrating the development of our country, which enables students to deepen their understanding of the national conditions and the status of Hong Kong as an inseparable part of China and enhances their sense of belonging to the

nation. To strengthen Chinese History education, the EDB has offered Chinese History as an independent compulsory subject at the junior secondary level from the 2018/19 school year onwards. The revised Junior Secondary Chinese History subject curriculum has been implemented progressively starting from Secondary One in the 2020/21 school year, enabling all students to learn Chinese history and culture holistically and systematically. To further cultivate the atmosphere for learning Chinese history and culture, the EDB distributed complimentary copies of the book series "æ^'çš,,å®¶åä"ä,åæ<" (Chinese version only) to all primary and secondary schools in Hong Kong (two sets for each primary school; one set for each secondary school and special school) in March this year. The series can serve not only as one of the reference reading materials for the competition "Take a Spark, Pass it on: The First Territory-wide Primary Schools Quiz Competition on Chinese History and Culture" held from April to July this year, but also as support materials for promoting Chinese history and culture education. This arrangement was welcomed by the education sector.

The EDB continues organising training programmes, workshops, seminars, online self-learning courses and experience-sharing sessions to enable teachers and school leaders to have a better understanding of how to promote Constitution and Basic Law education, national education and national security education through various subjects, learning activities, adoption of learning and teaching resources as well as effective, diversified teaching strategies. The EDB also continues updating/enriching the learning and teaching resources and organising life-wide learning activities (including exchange activities for teachers and students to the Mainland) to let them have a comprehensive understanding of the country's history, culture and development in various aspects, and facilitate students' correct understanding of the Constitution, the Basic Law and the "one country, two systems" concept, as well as strengthen their understanding of the rule of law and national conditions, thereby strengthening their sense of national identity.

As the National Security Law has come into effect, the EDB has issued EDB Circular No. 3/2021 "National Security: Maintaining a Safe Learning Environment Nurturing Good Citizens", EDB Circular No. 2/2021 "National Security Education in School Curriculum – Implementation Mode and Learning and Teaching Resources" and EDB Circular No. 4/2021 "National Security Education in School Curriculum – Curriculum Documents" to provide schools with guidelines on school administration and education in relation to the implementation of the National Security Law, and inform schools about matters relating to the implementation mode of national security education as well as the relevant learning and teaching resources. These guidelines aim to support schools in implementing related measures and discharging their responsibility of maintaining a safe and orderly learning environment in schools, and facilitate schools' coordination and planning in promoting national security education within and beyond the classroom through various learning activities in different subjects.

The EDB will continue to adopt the aforesaid "multi-pronged and co-ordinated" approach in supporting schools' promotion of national security

education within and beyond the classroom via individual subjects, cross-curricular topics in moral and civic education, as well as organising life-wide learning activities. Through these means, schools can nurture students into good citizens who have a strong sense of nationhood and national identity, are aware of their common responsibilities to safeguard national security, show respect for the rule of law, and abide by the law.

(2) and (3) The EDB's various policies, including curriculum, learning and teaching and student support cannot be implemented in schools without the concerted efforts of the school management and teachers. In addition to the professional accountability for the quality of teaching, teachers demonstrate their professionalism through teaching in line with the curriculum, selection and adaptation of teaching materials, as well as catering for student diversity with the application of appropriate teaching methodology. As "National Identity" is an education goal and one of the priority values to be cultivated among students, teachers have the responsibility to implement it both within and outside the classroom.

Incorporated Management Committees/School Management Committees have the responsibility to manage schools. There are both empowerment and accountability in school-based management. For the benefits of students, the school management has the responsibility to understand and monitor teachers' teaching quality and remind teachers that they should not promote in class or incorporate into teaching/learning materials content or information that is biased/unsubstantiated/inconsistent with curriculum aims and objectives, or else they are in breach of professional ethics and it is unacceptable. As the employers of teachers, Incorporated Management Committees/School Management Committees have the responsibility to establish a fair and open appraisal system to evaluate teachers' performance in accordance with the mutually accepted indicators, so as to promote teachers' professional development and ensure the quality of school education.

EDB officers have always been seeking to understand and monitor the quality of learning and teaching of schools through inspections and curriculum development visits. During inspections, through scrutinising the teaching materials and samples of students' assignments, observing lessons and relevant learning and teaching activities as well as discussing with school personnel, inspectors get to understand and evaluate the implementation of the school curriculum. Inspectors will, according to schools' performance in learning and teaching, provide concrete professional advice to schools.

[Auction of traditional vehicle](#)

registration marks to be held on May 2

The Transport Department (TD) today (April 28) announced that the auction of traditional vehicle registration marks will be held on May 2 (Sunday) in Meeting Room N101, L1, Hong Kong Convention and Exhibition Centre, Wan Chai.

"A total of 200 vehicle registration marks will be put up for public auction. The list of marks has been uploaded to the department's website, www.td.gov.hk," a department spokesman said.

Applicants who have paid a deposit of \$1,000 to reserve a mark for auction should also participate in the bidding (including the first bid at the reserve price of \$1,000). Otherwise, the mark concerned may be sold to another bidder at the reserve price.

People who wish to participate in the bidding at the auction should take note of the following important points:

(a) Successful bidders are required to produce the following documents for completion of registration and payment procedures immediately after the successful bidding:

(i) the identity document of the successful bidder;
(ii) the identity document of the purchaser if it is different from the successful bidder;
(iii) a copy of the Certificate of Incorporation if the purchaser is a body corporate; and
(iv) a crossed cheque made payable to "The Government of the Hong Kong Special Administrative Region" or "The Government of the HKSAR". (For an auctioned mark paid for by cheque, the first three working days after the date of auction will be required for cheque clearance confirmation before processing of the application for mark assignment can be completed.)
Successful bidders can also pay through the Easy Pay System (EPS). Payment by post-dated cheques, cash or other methods will not be accepted.

(b) Purchasers must make payment of the purchase price through EPS or by crossed cheque and complete the Memorandum of Sale of Registration Mark immediately after the bidding. Subsequent alteration of the particulars in the memorandum will not be permitted.

(c) A vehicle registration mark can only be assigned to a motor vehicle which is registered in the name of the purchaser. The Certificate of Incorporation must be produced immediately by the purchaser if a vehicle registration mark purchased is to be registered under the name of a body corporate.

(d) Special registration marks are non-transferable. Where the ownership of a motor vehicle with a special registration mark is transferred, the allocation of the special registration mark shall be cancelled.

(e) The purchaser shall, within 12 months after the date of auction, apply to

the Commissioner for Transport for the registration mark to be assigned to a motor vehicle registered in the name of the purchaser. If the purchaser fails to assign the registration mark within 12 months, allocation of the mark will be cancelled and arranged for re-allocation in accordance with the statutory provision without prior notice to the purchaser.

(f) In view of public health concerns, all persons entering the auction venue will have to undergo on-the-spot body temperature checks arranged by the TD. Any member of the public whose body temperature is higher than 37.5 degrees Celsius or who refuses to undergo a body temperature check will be denied entry to the auction hall and payment office. The TD also requests all persons entering the auction hall and payment office to wear masks and clean their hands with alcohol-based sanitiser, and to wear masks throughout the duration of the auction and payment process.

(g) In order to reduce the risk of the virus spreading, the TD will adjust the distance between seats and the number of seats in the auction hall and payment office, and implement crowd-control measures. The TD also appeals to bidders to reduce the number of accompanying persons as far as possible. Furthermore, the auction in the morning and afternoon will be divided into two sessions so as to shorten the duration of crowd congregation. The first session of the morning auction will commence at 9.25am while the second session will begin no earlier than 10.35am. The first session of the afternoon auction will commence at 2.25pm while the second session will begin no earlier than 3.35pm. The auction venue will be disinfected before the commencement of the second sessions. Interested bidders may arrive at the auction venue in accordance with the time schedule for the auction of vehicle registration marks.

(h) In order to more effectively assist the Department of Health in epidemiological investigations and to protect the safety of members of the public and employees, members of the public will be required to scan the "LeaveHomeSafe" QR code or register their name, contact number and the date and time of their visit before entering the auction venue (the auction hall and the payment office). As a result of the arrangement, members of the public are advised to remain patient as the waiting time for entering the auction venue may be longer.

For other auction details, please refer to the Guidance Notes – Auction of Vehicle Registration Marks, which can be downloaded from the department's website, www.td.gov.hk.

LCQ22: Communal facilities relating to

subsidised sale housing

Following is a question by the Hon Alice Mak and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (April 28):

Question:

Earlier on, some residents of Ching Tai Court, a Home Ownership Scheme court, sought my assistance, saying that the salt water supply to the court was suspended due to the bursting of a section of a communal salt water main located within an adjoining Tenants Purchase Scheme estate. According to the record of the Water Supplies Department, the responsibility for the repair and maintenance of that section of salt water main rests with the Housing Department, rather than the owners of the court concerned as in general cases. In this connection, will the Government inform this Council:

1. of the current number of subsidised sale housing courts within which there are communal facilities (e.g. underground mains) not for the use of their respective residents, and set out, by name of housing court, the type of such communal facilities and the party responsible for the repair and maintenance of such facilities;
2. whether the sales information provided by the Hong Kong Housing Authority (HA) to prospective buyers of subsidized sale housing has set out (i) the presence or otherwise of communal facilities within the housing court concerned not for the use of its residents, (ii) the presence or otherwise of communal facilities outside that housing court for the use of its residents, and (iii) the parties which are responsible for the repair and maintenance of these two types of communal facilities; whether it is clear which parties are responsible for the repair and maintenance of such communal facilities; if not, whether HA will clarify with the relevant government departments; and
3. whether it will set up a dedicated fund to cover the repair and maintenance expenses of the communal facilities within subsidised sale housing courts which are not for the use of their respective residents; if not, of the reasons for that?

Reply:

President,

My reply to the question raised by the Hon Alice Mak is as follows:

(1) As at end December 2020, there are about 260 housing courts/estates sold under the Subsidised Sale Flat Schemes and the Tenants Purchase Scheme of the

Hong Kong Housing Authority (HA). Generally speaking, if there are communal facilities within the court/estate boundary that are not for the use of their residents, or communal facilities located outside the court/estate that are for the use of the residents, relevant information will be provided in the Government Lease (land lease) of the court/estate. HA does not keep central record of such information, but owners can enquire the land lease and Deed of Mutual Covenant (DMC) of the related properties through the Land Registry to understand the management and maintenance responsibilities of individual courts/estates.

(2) HA has all along been providing prospective purchasers with information on the developments when putting up subsidised sale flats for sale. Since 2013 (Note), the information provided by HA as set out in the sales brochure when putting up new development for sale has included information on communal facilities, public open spaces and maintenance of slopes in the development as well as summary of the DMC and land grant, etc. Facilities that are required to be provided in the development under the land lease and their maintenance responsibility are set out under the summary of land grant. In other words, if the land lease stipulates that the respective owner(s) of the development is required to maintain certain communal facilities within the development for use by non-residents, or to maintain communal facilities outside the development for use by residents, such information will be set out under the summary of land grant. HA will also set out information in the sales brochure reminding prospective purchasers that they shall appoint a separate firm of solicitors of their choice to act for them in relation to the transaction before attending flat selection, so that their solicitor will be able to give them independent advice and advise them on their risks and rights, as well as other matters in connection with their transactions.

(3) HA's subsidised housing courts/estates are no different from private properties of which they are governed by the Building Management Ordinance (BMO) and related legislations and regulations, land lease and DMC. Daily management affairs are undertaken by the property management company appointed by the Owners' Corporations (OCs) in accordance with the land lease, DMC and related legislations. The land lease and DMC of these courts clearly stipulate the rights and responsibilities of the owners. Respective OCs and property management companies must perform the management and maintenance responsibilities in accordance with relevant requirements. Therefore, we are of the view that it is not necessary to establish a dedicated fund to handle the relevant matters.

Note: The Residential Properties (First-hand Sales) Ordinance (the Ordinance) has come into operation since 2013. Divisions 2 to 8 of Part 2 of the Ordinance, which include the information required to be provided in the sales brochure, do not apply to the developments constructed by the HA. Nevertheless, HA's policy is to follow the requirements as set out in the Ordinance for providing information required as far as practicable when putting up new developments for sale. For subsidised sale flats sold before 2013 (including those flats sold under the Tenants Purchase Scheme to sitting tenants), there are different arrangements in providing information on the development which may not be conclusive.