

# Budget Speech by the Financial Secretary (9)

Building a Liveable City

Optimise Land Use

Land Supply

127. The 2021-22 Land Sale Programme comprises a total of 15 residential sites and three commercial sites, capable of providing about 6 000 residential units and about 480 000 square metres of commercial floor area respectively. With the residential sites under the Land Sale Programme, together with railway property development projects, private development and redevelopment projects and the Urban Renewal Authority's projects, the potential land supply for the whole year is expected to have a capacity of providing about 16 500 units. The Secretary for Development will later announce the details of the Land Sale Programme for the next financial year.

128. The construction of Kwu Tung North/Fanling North new development areas (NDAs) is making good progress. The intake for the first batch of public housing in Kwu Tung North is expected to take place in 2026, one year earlier than originally planned. Private residential sites in the area will be tendered gradually. The 12 hectares of private land involved in the first phase of the works for Hung Shui Kiu/Ha Tsuen NDA has been resumed as scheduled. Site formation and infrastructure works are underway. As for the Yuen Long South development, we are going through the statutory planning process. The first batch of public housing units will be completed in 2028. We will seek funding approval from the LegCo for studies related to the New Territories North NDA within this legislative session. The studies will commence shortly afterwards.

129. The first two parcels of housing land under the Tung Chung East reclamation works were handed over to the Hong Kong Housing Authority for public housing development last year. The first intake for about 10 000 public housing units will take place in 2024.

130. We estimate that in the NDA projects and other government and private development projects under planning, there is a total of over 860 hectares of brownfield sites in the New Territories which can gradually be redeveloped for housing and other land uses.

131. Over the past few years, we have identified 210 sites with potential for housing development. Rezoning has been completed or commenced for 70 per cent of them. It is estimated that about 40 per cent of the public housing units to be completed in the next ten years will come from the rezoned sites.

132. We are examining the feasibility of rezoning five commercial sites in Kowloon East for residential use taking into account the latest economic

situation and market response. If confirmed feasible, we plan to initiate the relevant statutory town planning procedure this year. A total of about 5 800 private housing units can be provided according to our preliminary estimation.

133. The Mass Transit Railway Corporation Limited and government departments are pressing ahead with the development of the Siu Ho Wan Depot Site. Our target is to have the first batch of about 6 000 public and private housing units gradually ready for intake in around 2030. Upon completion of the whole project, about 20 000 units will be provided, about half of which will be public housing units.

134. We plan to conduct later this year district consultations on two "single site, multiple use" projects, namely the redevelopment of Tuen Mun Clinic and the joint-user building for community facilities at Shan Mei Street in Shatin. Besides, we will apply funding from the LegCo as soon as possible for three other projects, namely one at the former Anderson Road Quarry site, one in Tseung Kwan O town centre and the other one near Sheung Wan Fire Station. In addition, we are reviewing about 40 "Government, Institution or Community" sites with joint use potential. We hope to put forward concrete proposals for these sites this year, including developing multi-purpose public facility buildings.

135. The DEVB has set up the Development Projects Facilitation Office to facilitate the processing of planning, lease modification and building plan applications, etc. for private residential development projects with a yield of 500 flats or more by enhancing co-ordination among the departments involved.

136. The DEVB and the Lands Department will introduce a pilot scheme for charging land premium at "standard rates" in this quarter to encourage redevelopment of industrial buildings.

#### Housing Supply

137. We have identified land for the provision of 316 000 public housing units in the coming ten years. With the redevelopment of Hong Kong Housing Authority's factory estates, the number of public housing units may see further increase. It is estimated that the total public housing production in the five-year period from 2020-21 is about 101 400 units, comprising over 70 000 public rental housing and Green Form Subsidised Home Ownership Scheme units and over 30 000 other subsidised sale units. On private housing, it is estimated that the completion of private residential units will average over 18 000 units annually in the five years from 2021, representing an increase of about five per cent over the annual average of the past five years.

138. The Government has already identified land for the provision of about 14 000 transitional housing units by end-2023. Intake of residents for over 1 100 units has taken place. Projects involving about 9 800 units have been launched. The \$5 billion Funding Scheme to Support Transitional Housing Projects has approved projects involving over \$2.6 billion, and the Government will inject another \$3.3 billion this year. The Government is

also seeking funding from the Community Care Fund to subsidise NGOs, as a pilot scheme, to rent suitable rooms in hotels and guesthouses with relatively low occupancy rates for use as transitional housing.

## Green City

139. The Government strives to achieve carbon neutrality before 2050, and will update Hong Kong's Climate Action Plan in the middle of this year to set out more proactive strategies and measures to reduce carbon emissions. We are setting an example by implementing the Green Energy Target to boost the overall energy performance of the Government by six per cent by 2024-25. Concurrently, the Government will continue to promote new energy transportation so as to further reduce roadside air pollution.

## Promote New Energy Transportation

140. The Government has all along been promoting the replacement of conventional fuel-propelled private cars (PCs) with electric vehicles (EVs). Last year, one out of eight new PCs is EV. In the past ten years, the number of EVs increased from 184 to over 18 500, with the total number of electric private cars (e-PCs) accounting for 2.7 per cent of the total number of PCs in Hong Kong. The "One-for-One Replacement" Scheme provides a higher first registration tax (FRT) concession for owners who buy a new e-PC and scrap their eligible old PC, subject to a cap of \$250,000. Since its launch, 90 per cent of the owners of first registered e-PCs have benefited from the Scheme. The FRT concession for general e-PCs is \$97,500.

141. The Government launched the \$2 billion EV-charging at Home Subsidy Scheme in October last year. It is expected that about 60 000 parking spaces in existing private residential buildings will be provided with EV charging-enabling infrastructure under the scheme in three years. Since the introduction of the scheme, applications involving more than 50 000 parking spaces have been received.

142. Last year, the Government allocated an additional funding of \$800 million to the New Energy Transport Fund and expanded its funding scope to cover additional types of electric commercial vehicles. As at end-2020, the amount of subsidy granted under the Fund was \$154 million, covering nearly 200 projects on electric and hybrid commercial vehicles as well as conventional buses and ferries. Moreover, the Government earmarked \$80 million for green public light bus (PLB) operators to embark on a pilot scheme on electric PLBs from 2023. Meanwhile, the Government also earmarked \$350 million to provide subsidies for ferry operators to conduct trials on electric ferries serving in-harbour routes of the Victoria Harbour from 2023.

143. The Environment Bureau will announce next month Hong Kong's first roadmap on the popularisation of EVs, setting out long-term policy objectives and plans on the use of EVs and their associated supporting facilities. The key measures include ceasing the new registration of fuel-propelled PCs in 2035 or earlier, expanding the EV charging network and promoting its marketisation, training of EV technical and maintenance practitioners, and formulating a Producer Responsibility Scheme for retired EV batteries. The

Government will also take the lead to use more EVs.

### Improve Air Quality

144. To further improve air quality, the Government has implemented an exâ€‘gratia payment scheme of \$7.1 billion to phase out about 40 000 Euro IV diesel commercial vehicles by end-2027. The Government will finish updating the Clean Air Plan for Hong Kong by the middle of this year to set out long-term goals and devise measures to further improve air quality.

### Relieve Traffic Congestion

145. The number of PCs has been on the rise. Traffic congestion has been aggravating. The FRT and the vehicle licence fee for PCs have not been adjusted since 2011 and 1991 respectively. I propose increasing the rate of each tax band for the FRT for PCs (including e-PCs) by 15 per cent and the vehicle licence fee by 30 per cent . The above-mentioned adjustments have been gazetted for taking effect today. Other types of vehicles are not affected. The maximum FRT concession for e-PCs under the “One-for-One Replacement” Scheme will be raised correspondingly to \$287,500, while the FRT concession cap for general e-PCs will remain unchanged. The Transport Department will also continue the studies on “Congestion Charging” and the Electronic Road Pricing Pilot Scheme in Central with the aim of optimising the use of road space and relieving traffic congestion.

### Decarbonise and Reduce Waste

146. In addition to the resources earmarked in previous Budgets, I will set aside an extra \$1 billion for more than 80 projects to install additional small-scale renewable energy systems at government buildings and infrastructure. I will also set aside \$150 million to conduct energy audits and install energy-saving appliances, free of charge, for NGOs subvented by the Social Welfare Department. In addition, the Green Tech Fund, set up with an allocation of \$200 million by the Government, has just closed the first round of applications. The result is expected to be announced in the middle of this year. All these measures can help Hong Kong advance towards its carbon neutrality target, and will also create jobs.

147. The Government will inject an additional funding of \$1 billion to the Recycling Fund and extend the application period to 2027 so as to render continuous support to the trade, particularly the SMEs, in enhancing its operational capabilities and efficiency as well as coping with the latest needs of both the local and non-local markets. It is expected that more than 1 000 businesses will benefit from the measure.

(To be continued.)

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# Budget Speech by the Financial Secretary (8)

## Air Cargo Sector

113. The Hong Kong International Airport (HKIA) is a “double gateway” connecting the world and the GBA. With further growth in external trade in the GBA, particularly the booming of e-commerce and the personalisation of consumer demand, orders received by manufacturers are becoming small in amount with a narrow delivery window. It can be envisaged that there will be an increasingly keen regional demand for air cargo services. Last year, HKIA handled 4.5 million tonnes cargoes and air mail, down by only 7 per cent from the pre-epidemic level.

114. The Airport Authority (AA) has active plans for developing intermodal cargo handling facilities, so that there will be seamless transportation of Mainland exports to the rest of the world through the HKIA, and vice versa. With the expansion of the existing express air cargo terminal, and the commissioning of a new premium logistics centre as well as the Three Runway System, HKIA’s annual cargo handling capacity is expected to increase from 7.4 million tonnes to some nine million tonnes in 2024. When the airside intermodal cargo handling facility becomes operational as well, Hong Kong’s position as the air cargo centre of the GBA will be further reinforced.

115. HKIA’s capability in handling high-value temperature-controlled air cargo is internationally recognised. In addition, the Government will work with the AA to actively explore measures to facilitate trans-shipment through Hong Kong, with a view to maintaining our competitive edge as an international air cargo hub. We are confident that the HKIA will become the busiest cargo airport in the world again when the pandemic is over.

116. We will submit a funding application to the LegCo within this year to redevelop the Air Mail Centre at the HKIA, with a view to bringing the centre into operation by end 2027 the earliest. We will continue to work with the AA and other postal authorities on maximising the use of the centre’s transit handling capacity, in order to support the long-term development of the postal industry in the GBA.

## Cultural and Creative Industries

117. I will inject an additional \$1 billion into the CreateSmart Initiative in 2021-22 to continuously drive the development of the creative industries.

118. The Government has continued to allocate more resources to the development of arts and culture in recent years. In 2021-22, the total expenditure will exceed \$5.7 billion. The West Kowloon Cultural District (WKCD) is a new landmark and attraction in Hong Kong. With the opening of M+ and the Hong Kong Palace Museum in WKCD in this and next year respectively, and the expected completion of the Lyric Theatre Complex in 2024, diversified

development opportunities will be brought to the local arts and cultural sector.

119. We plan to seek funding approval in the current legislative session for taking forward the renovation of Tsuen Wan Public Library, the facility upgrading of Tai Po Civic Centre as well as the renovation and improvement of Sai Wan Ho Civic Centre. The above works cost a total of about \$900 million, creating a total of some 210 employment opportunities.

120. The Government provided multiple rounds of assistance amounting to over \$200 million to the arts and culture sector under the AEF, benefitting over 930 arts groups and over 6 800 arts practitioners. As many arts and culture activities were not able to be staged, the industry has made use of technology to perform through various means, promoting the integration of arts and I&T as a new trend of development. The Home Affairs Bureau has established an inter-bureau task force with \$100 million reserved to promote the integration of arts and technology, and support arts groups and I&T savvy.

#### Infrastructure Investment and Construction Industry

121. The Government will continue to invest in infrastructure. The annual capital works expenditure will exceed \$100 billion in coming years. The annual total construction output will increase to around \$300 billion, creating over 300 000 employment opportunities.

#### Train Talent

122. The Government and the Construction Industry Council have been providing professional and comprehensive training programmes for construction workers. The Hong Kong Institute of Construction also has a well-established training system offering a clear career progression path for its trainees. Measures to enhance training for skilled workers, subsidise the operation of small-and-medium-sized contractors and registered subcontractors, and offer allowances to registered construction workers who are underemployed or temporarily unemployed for attending training courses have been implemented since January this year.

123. The Development Bureau (DEVB) established the Centre of Excellence for Major Project Leaders, which is the first institution in Asia specialising in nurturing leaders for works projects. To enhance the professional skills of mid-tier managers in the Government and uplift the project delivery capability, I have earmarked \$6 million for provision of systematic training to them in the next three years, with a view to ensuring more effective use of public resources.

#### Manage Cost

124. Cost management is an important part of the sustainable development of the construction industry. The Project Strategy and Governance Office of the DEVB, apart from implementing strategic measures to raise cost-effectiveness within the Government, will also promote cost management culture to the

industry.

#### Enhance Effectiveness

125. The Government actively promotes the Modular Integrated Construction (MiC) method. Intake for the first batch of pilot projects, including the InnoCell of the Hong Kong Science Park and the Disciplined Services Quarters for the Fire Services Department at Pak Shing Kok, is expected to commence early this year. Up to now, the Construction Innovation and Technology Fund has granted over \$75 million to the industry for supporting their adoption of this method and the Buildings Department has approved 31 pre-accepted MiC systems to facilitate their adoption by the private building developers.

#### Digitalisation of Public Works

126. With \$100 million allocated for the development of the integrated digital platform in the last Budget, the platform will be implemented in phases from this year onwards for driving digitalisation of public works through data integration and analysis to monitor project performance continuously and enhance the management of capital works projects.

(To be continued.)

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## [Budget Speech by the Financial Secretary \(7\)](#)

#### Innovation and Technology

90. In the past three years, the Government allocated over \$100 billion to support the development of I&T. We already have eight unicorns, making Hong Kong comparable to many larger economies. Despite the huge challenges imposed by the epidemic as well as the internal and external environments, I am convinced that the promotion of I&T is the right direction for the long-term development of Hong Kong.

#### Nurture and Pool Talent

91. In recent years, the number of research personnel and the number of staff members of start-ups in Hong Kong have increased substantially. To nurture I&T talent, the Education Bureau has implemented a number of measures to promote STEM education, including curriculum updating, providing professional training for teachers, subsidising and organising large-scale learning activities, such as the STEM Education Fair. The Standing Committee on STEM Education of the Curriculum Development Council steers and promotes the long-term development of STEM education in primary and secondary schools, as well as reviews continuously the relevant curriculum.

92. The IT Innovation Lab in Secondary Schools Programme has received positive response since its launch. I will set aside over \$200 million to extend the programme to primary schools. Funding of up to \$400,000 will be provided to each subsidised primary school in the coming three school years, thereby rolling out a "Knowing More About IT" Programme to enhance students' interests and knowledge in information technology and their applications through extra-curricular activities, so as to prepare them for integration into the knowledge-based economy and participation in the development of a digital society. The OGCI0 will set up a one-stop support centre to provide assistance for primary schools.

93. Last year, I earmarked \$40 million to implement a pilot scheme, under which subsidies are provided for students who study science and technology in local universities to enrol in short-term I&T related internships. More than 1 600 students and over 1 000 enterprises participated in the scheme. Eighty per cent of the interns indicated that they would consider pursuing a career in I&T after graduation. Given the overwhelming responses, I announce that the scheme would be regularised.

94. The Government will launch a Global STEM Professorship Scheme in the first half of this year to support universities in attracting world-renowned I&T scholars and their teams to Hong Kong to participate in STEM teaching and research. The scheme will involve an expenditure of about \$2 billion, which will be borne by the Government, the universities and the Hong Kong Jockey Club Charities Trust.

95. Job opportunities and continuous training are also crucial for nurturing the I&T talent. In the past three years, the Research Talent Hub has funded over 3 700 R&D positions. Among those engaged, about 1 400 are postdoctoral talent. The Re-industrialisation and Technology Training Programme provided on-the-job training for over 3 500 employees of some 1 800 enterprises so as to enable them to have a better grasp of the development of the new economy and I&T. The Greater Bay Area Youth Employment Scheme launched early this year also provides around 700 I&T places to encourage enterprises to employ Hong Kong's university graduates so that the latter can undertake I&T-related work and receive on-the-job training in Hong Kong and another city in GBA.

#### Innovation and Technology Infrastructure

96. Over 80 per cent of the areas in the two buildings under Stage 1 of the Science Park Expansion Programme has been occupied. As for the Data Technology Hub (DT Hub) in the Tseung Kwan O Industrial Estate, since its commencement of operation in the fourth quarter of last year, 16 enterprises have already set up offices there or signed tenancy agreements. Besides, quite a number of enterprises have expressed interest in setting up offices in the DT Hub. The InnoCell adjacent to the Science Park was completed at the end of last year, providing around 500 residential spaces with flexible design and facilities such as shared work spaces for the research personnel in the Science Park. Leasing activities will commence and a trial run will be held in the first half of this year.

97. The supply of R&D and working spaces in the Hong Kong Science Park and

Cyberport falls short of demand. In the last two Budgets, resources were set aside for the Science Park expansion and Cyberport 5 development, which will respectively provide about 28 000 and 63 000 square metres of floor area mainly for R&D or operation of I&T enterprises.

98. We are also pressing ahead with the development of the Hong Kong-Shenzhen Innovation and Technology Park (the Park) in the Lok Ma Chau Loop. A provision of about \$32.5 billion has been approved for the project. Works have already commenced. The first batch of facilities is expected to be completed in phases from 2024 to 2027, the economic contribution to Hong Kong of which is expected to reach \$5.5 billion per annum, with about 4 800 jobs to be created. Upon full development, the Park will be the largest ever I&T platform in Hong Kong, providing a gross floor area of 1.2 million square metres, which is approximately three times that of the Science Park. Its economic contribution to Hong Kong is expected to reach \$52 billion per annum, with about 52 000 jobs to be created.

99. On digital infrastructure, the coverage of 5G network in Hong Kong is now over 90 per cent . The subsidy scheme for expanding fibre-based network to villages in remote areas will be completed in phases from this year onwards. The Government will continue to support the development of 5G networks and applications; release more 5G spectrum in different frequency bands; facilitate the setting up of radio base stations by operators at suitable government venues and public facilities; assist in the relocation of the Tai Po satellite earth stations; and provide land at Chung Hom Kok Teleport for the development of infrastructure to connect with external telecommunications facilities.

#### Promote Research and Development

100. Over the past few years, we have been dedicated to promoting R&D but it takes time to deliver results. These efforts are gradually bearing fruits with a rising gross domestic expenditure on R&D activities in recent years, boosting our confidence in promoting R&D.

101. Amendments were made to the Inland Revenue Ordinance in late 2018 to provide for enhanced tax reduction for qualifying R&D expenditure so as to encourage enterprises to devote resources to local R&D. The total amount of R&D expenditure for which claims for tax deduction were made in the first year of assessment has more than doubled since the implementation of this measure. Seventy per cent of this amount enjoyed enhanced tax deduction. The measure has delivered notable results.

102. Since permission was granted for the remittance of Mainland R&D funding to Hong Kong, the Ministry of Science and Technology, Guangdong Provincial Government and Shenzhen Municipal Government in the past two years have approved over RMB 340 million for universities and research institutes in Hong Kong to conduct R&D or set up laboratories, thereby adding impetus for local R&D activities.

103. The “InnoHK Research Clusters” is our flagship project. It comprises Health@InnoHK on healthcare technologies and AIR@InnoHK on artificial

intelligence and robotics technologies, and has attracted many top-notch universities and research institutions in the world. The first batch of about 20 R&D laboratories will commence operation progressively in the first quarter of this year. This will further consolidate Hong Kong's position as a global research collaboration hub.

104. Funding under the Innovation and Technology Fund (ITF) increased by over seven times in the last seven years. I will inject \$4,750 million per year to the ITF two years in a row to sustain its 17 funding schemes as well as the work of over 50 R&D laboratories in the next three years.

#### Start-ups

105. Hong Kong's start-up ecosystem has become increasingly vibrant, with an increase in the number of start-ups from around 1 100 in 2014 to over 3 300 last year. Investment from venture capital funds in Hong Kong also increased from \$1.24 billion in 2014 to \$9.9 billion in 2019, representing an increase of over seven times. Over the past three years, I&T enterprises in the Science Park and Cyberport have attracted over \$41 billion of investment. Besides, some 600 start-ups are being incubated by the Science Park and Cyberport on top of the nearly 1 300 start-ups already graduated from the programmes.

106. The Innovation and Technology Venture Fund (ITVF) has invested more than \$100 million in 19 local start-ups over the past two years, attracting more than \$500 million private investment. The ITVF appointed three new co-investment partners late last year. We will continue to partner with venture capital funds to invest in local start-ups.

107. In the past three years, the Hong Kong Science and Technology Parks Corporation (HKSTPC) has invested over \$100 million in 13 technology enterprises through its Corporate Venture Fund, attracting about \$1,350 million private investment. The Cyberport Macro Fund set up by Cyberport also invested more than \$120 million in 16 companies, attracting over \$860 million private investment. The HKSTPC and Cyberport will inject \$350 million and \$200 million into the two Funds respectively and extend their scope to cover Series B and later stage investments.

108. The Technology Start-up Support Scheme for Universities has provided funding of about \$120 million to 139 start-ups in the past three years. Among those start-ups which have benefited from the Scheme since inception, over half of them have launched their products in the market, more than 40 per cent have earned revenue and about 60 per cent have received capital injection from investors with a total amount of some \$530 million.

#### Financial Technology

109. The epidemic has speeded up digital transformation of the Hong Kong financial market. On top of many Fintech start-ups, there are eight virtual banks, four virtual insurers, and a virtual asset trading platform having been authorised to operate in Hong Kong.

110. With a view to fostering the development of more novel financial products, the HKSTPC and Cyberport will collaborate with the HKMA to attract more financial, technology or research institutes to set up laboratories in Hong Kong, with a focus on such areas as regulatory technology and cyber security, where Hong Kong enjoys clearest advantages. In addition to the Fintech Proof-of-Concept Subsidy Scheme announced in January this year, the HKMA is considering enhancing its Fintech Supervisory Sandbox by providing “through-train” vetting and funding arrangements for those promising Fintech solutions to reduce the time for the launch of innovative financial products in the market.

#### Foster Re-industrialisation

111. The Re-industrialisation Funding Scheme, which was launched in July last year, provides subsidies, on a matching basis, to manufacturers for setting up new smart production lines in Hong Kong. The scheme has received 12 applications so far.

112. The Advanced Manufacturing Centre in the Tseung Kwan O Industrial Estate and the Microelectronics Centre in the Yuen Long Industrial Estate, being developed by the HKSTPC, will be completed in the coming years. The two centres will provide a total gross floor area of over 140 000 square metres for smart production and high-end manufacturing industries. Quite a number of enterprises have expressed interest in setting up establishments in the two centres.

(To be continued.)

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## **LCQ12: Supporting the operators of scheduled premises and their employees**

Following is a question by the Hon Jeffrey Lam and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (February 24):

Question:

To cope with the epidemic, the Government made the Prevention and Control of Disease (Requirement and Directions) (Business and Premises) Regulation (Cap. 599F) in March last year, and has since invoked the Regulation on a number of occasions to direct scheduled premises to suspend operation during a specified period. Some operators of such premises have relayed to me that their applications for subsidies made to the Anti-epidemic Fund (the Fund) have been approved but the subsidies have not been disbursed to them after a protracted period of time. As a result, they are on the brink of closing down due to cash flow problems, and their employees have to take

prolonged no-pay leave and are unable to sustain their living. In this connection, will the Government inform this Council:

(1) of the dates on which, and the total up-to-date number of days for which, the various types of scheduled premises suspended operation pursuant to the requirements of Cap. 599F, as well as the respective estimated numbers of affected employees in the various types of such premises;

(2) of the latest implementation situation of the various support measures for scheduled premises introduced by the Government under the Fund, including (i) the number of applications received, (ii) the number of applications for which subsidies have been disbursed, (iii) the number of applications for which approval has been given but subsidies have not yet been disbursed, (iv) the average amount of subsidy granted for each approved application, (v) the total amount of subsidies disbursed, and (vi) the current balance of the commitment (set out in a table by name of measure); and

(3) of the further measures in place to assist the operators of scheduled premises and their employees in tidying over the difficult times?

Reply:

President,

Having consulted relevant policy bureaux and departments, our response to the Hon Lam's question is set out below:

(1) The dates on which, and the total number of days for which, various scheduled premises suspended operation pursuant to the requirements of Cap. 599F are detailed at Annex. The Government does not compile statistics on the number of employees for the scheduled premises.

(2) The Government established the Anti-epidemic Fund (AEF) last year to enhance Hong Kong's capability in combating the coronavirus disease-19 (COVID-19) epidemic and to provide timely assistance or relief to enterprises and members of the public hard hit by the epidemic or affected by anti-epidemic measures. The AEF Steering Committee chaired by the Chief Secretary for Administration considers and approves proposals for initiatives, and oversees and coordinates matters relating to the operation of AEF.

Since the establishment of AEF, the Government has been regularly submitting reports on the implementation progress of various AEF measures to the Legislative Council, including the number of applications received and approved, the amount of subsidy disbursed, etc. The latest report was submitted on February 19, 2021 and uploaded onto [www.legco.gov.hk/yr19-20/english/fc/fc/papers/fc20200221fc-115-1-e.pdf](http://www.legco.gov.hk/yr19-20/english/fc/fc/papers/fc20200221fc-115-1-e.pdf). Members may make reference to the aforementioned report for the implementation progress of individual measures.

(3) The Government recognises that many businesses and individuals have done their part in complying with anti-epidemic measures of the Government since

the onset of COVID-19. To prevent the spread of COVID-19 in time, it is still necessary for the Government to impose restrictions on certain premises in response to the development of the epidemic. These restrictions have inevitably affected the business operators of the relevant premises. Therefore, the Government has rolled out various measures to provide relief for affected businesses and individuals over the past year or so.

As the epidemic is continuously evolving and numerous businesses and individuals are affected, the Government must take into account the affordability on the public purse when considering relief measures. We will continue to provide timely relief in a targeted approach to businesses and individuals hard hit by the pandemic based on the pandemic development, and at the same time, ensure healthy public finance to cope with unforeseen needs.

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## **LCQ18: Estate offices of public rental housing**

Following is a question by the Hon Wilson Or and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (February 24):

Question:

Some residents of public rental housing (PRH) have relayed that the estate office of the estate in which they live has adopted improper practices. For example, in respect of the work on vetting and approval of the publicity materials to be posted by mutual aid committees and enforcing the Marking Scheme for Estate Management Enforcement, the judgements made and the way of handling by the estate offices concerned are inappropriate and are different from those by other estate offices. In this connection, will the Government inform this Council:

(1) whether the Housing Department (HD) has issued practice guidelines to its estate offices; if so, (i) whether HD has regularly updated such guidelines, and (ii) whether PRH residents may have access to such guidelines; if so, whether HD received complaints in the past three years about the violation of such guidelines by estate offices; if so, of the number of complaints, with a breakdown by year and subject of complaint; and

(2) whether HD has regularly deployed staff to inspect its estate offices (especially those against which relatively more complaints have been lodged); if so, of the details; if not, the measures put in place to monitor the work of the estate offices and ensure that they act strictly in accordance with HD's directions and guidelines?

Reply:

President,

My reply to the question raised by the Hon Wilson Or is as follows:

(1) Each public rental housing (PRH) estate under the Hong Kong Housing Authority (HA) has an estate management office (EMO). Some of the EMOs are directly managed by the Housing Department (HD), some are managed by staff of outsourced management companies. HA has promulgated guidelines on various management work (including handling of applications for display of publicity materials (PMs) and execution of the Marking Scheme for Estate Management Enforcement (the Marking Scheme) in PRH estates) for implementation by staff of the EMOs. The relevant vetting principles on the display of PMs (including poster, banner, etc.) in PRH estates and information about the Marking Scheme can be browsed at HA's website (note).

Regarding the display of PMs, applications are generally handled by EMOs in accordance with the relevant guidelines. PMs should be informative, the content of which should be welfare- or service-providing and non-profit-making in nature. They should not carry messages that are unlawful, obscene, defamatory, insinuating, criticising or denouncing individual persons or parties. To ensure consistency among EMOs on the principles of handling PMs, EMOs should refer applications for PMs with controversial content to the HD Headquarters for handling. Applicants may lodge an appeal if they are not satisfied with the way the applications are handled. In addition, notice boards (NBs) are provided in some PRH estates for the exclusive use of district council members/legislative councillors and local residents' groups (including mutual aid committees, residents' associations, etc.), or non-governmental organisations. Contents of the PMs displayed on these NBs should also comply with the aforementioned principles. EMO staff will inspect these NBs regularly and, depending on the actual situation, take necessary follow-up actions.

We do not have a central record of the number of complaints against EMOs of non-compliance with the guidelines for handling PMs and the Marking Scheme. Individual complaints will be followed up and handled in accordance with the HD's prevailing mechanism. HA will review the estate management policies from time to time in the light of changing social circumstances.

(2) Each EMO is supervised by their respective HD Regional Management Offices. If HD is aware that individual EMO does not comply with the various estate management guidelines promulgated by HD, HD will assign staff to follow up and increase the frequency of supervisory checks on the relevant EMO.

Note:

Arrangements on Display of PMs and Arrangements on Electioneering Activities during Election Period

[www.housingauthority.gov.hk/en/common/pdf/about-us/policy-focus/policies-on-public-housing/B27/B27.pdf](http://www.housingauthority.gov.hk/en/common/pdf/about-us/policy-focus/policies-on-public-housing/B27/B27.pdf)

Marking Scheme for Estate Management Enforcement

[www.housingauthority.gov.hk/en/public-housing/estate-management/marking-scheme-for-estate-management-enforcement/index.html](http://www.housingauthority.gov.hk/en/public-housing/estate-management/marking-scheme-for-estate-management-enforcement/index.html)