

Government to move resolution to resume collection of Hotel Accommodation Tax

The Government served a notice to the Legislative Council today (July 3) to move a resolution under the Hotel Accommodation Tax Ordinance (Cap. 348) (HATO) to resume the collection of hotel accommodation tax (HAT).

Under the HATO, the HAT is imposed on hotel and guesthouse accommodation, and is levied on the accommodation charges payable by guests to hotel or guesthouse proprietors at a rate specified in the Schedule to the HATO. Since July 1, 2008, the HAT tax rate has been reduced from 3 per cent to 0 per cent.

In the 2024-25 Budget, the Financial Secretary proposed to resume the collection of the HAT at a rate of 3 per cent with effect from January 1, 2025, as part of the comprehensive fiscal consolidation programme to restore fiscal balance in a few years' time. The HAT will bring an estimated annual revenue of about \$1.1 billion to the Government, providing a stable source of revenue without affecting members of the general public. The HAT to be collected only accounts for less than 1 per cent of the spending by overnight visitors in Hong Kong and will not affect visitors' choice of Hong Kong as a travel destination or their spending sentiment in Hong Kong.

The Secretary for Financial Services and the Treasury will move the relevant resolution pursuant to section 3(2) of the HATO at the Legislative Council on October 23. The resolution will be published in the Gazette on October 25.

Since the announcement of the proposal to resume the collection of the HAT in the 2024-25 Budget, the Financial Services and the Treasury Bureau and the Inland Revenue Department (IRD) have been actively reaching out to the hotel and guesthouse industry to facilitate them in understanding the operational arrangements regarding the collection of the HAT and in preparing for compliance. The IRD has also been providing assistance by organising briefings for industry practitioners, disseminating relevant information via letters and its website, as well as setting up a dedicated enquiry hotline and a dedicated helpdesk at the Inland Revenue Centre.

LCQ5: Ancillary transport facilities

for hospitals at Kai Tak Development Area

Following is a question by the Hon Chan Hoi-yan and a reply by the Acting Secretary for Transport and Logistics, Mr Liu Chun-san, in the Legislative Council today (July 3):

Question:

Some healthcare personnel have relayed to me that there is no rail station in the vicinity of the Hong Kong Children's Hospital (HKCH), and this, coupled with inadequate provision of public transport services and road planning issues, etc., has caused inconvenience to patients and their families as well as healthcare personnel. Moreover, with the construction of the New Acute Hospital in Kai Tak (the Kai Tak Hospital), which is adjacent to HKCH and due to complete in 2026, there will be a further increase in the pressure on traffic within the area by then. In this connection, will the Government inform this Council:

(1) whether it has conducted assessment on the impact of the inadequate ancillary transport facilities and road planning issues relating to HKCH as well as the completion of the Kai Tak Hospital on traffic in the vicinity, and formulated corresponding traffic enhancement and road planning proposals; if so, of the details; if not, the reasons for that;

(2) of the construction progress of the Central Kowloon Route and Trunk Road T2, and whether the projects can respectively be completed in 2025 and 2026 as scheduled; apart from the operation of two new franchised bus routes, whether the Government has any other proposal at this stage to alleviate the traffic issues arising from the commissioning of the Kai Tak Hospital; and

(3) as the Civil Engineering and Development Department (CEDD) indicated in May this year that regarding the proposal to extend the Smart and Green Mass Transit System in Kai Tak to the Kai Tak Hospital, CEDD would need to conduct further studies to explore the technical feasibility of the proposal, whether the Government will complete the studies before the commissioning of the Kai Tak Hospital; if so, of the details; if not, the reasons for that?

Reply:

President,

Having consulted the Health Bureau, Highways Department, Civil Engineering and Development Department and Transport Department (TD), my reply to the question raised by the Hon Chan Hoi-yan is as follows:

(1) To tie in with the traffic arrangements for the Kai Tak Development Area (KTDA), the Government has provided additional trunk roads in the overall transport planning, including the Central Kowloon Route (CKR) linking West

Kowloon with the KTDA, and the Trunk Road T2 and Cha Kwo Ling Tunnel connecting the CKR with the Tseung Kwan O-Lam Tin Tunnel, which are expected to be commissioned in 2025 and 2026 respectively. The Government has also constructed new roads and widened existing roads in the KTDA, enabling vehicles to have direct access to the Hong Kong Children's Hospital (HKCH) and the New Acute Hospital (NAH) through Shing Fung Road or Cheung Yip Street.

The road network in the KTDA, which has been largely completed, is adequate for meeting the traffic needs arising from the existing and future developments in the area. Currently, the overall traffic is generally smooth in the KTDA. The Government will continue to monitor the traffic conditions in the area and consider making improvements when necessary.

Moreover, the Government and the Hospital Authority (HA) have conducted a number of traffic impact assessments for the KTDA and NAH. The assessment results show that there will be an increase in traffic flow on the roads leading to the hospital during the construction and operation of the hospitals. Nevertheless, the total traffic flow after the increase will not exceed the capacity of the traffic network in the area even during the peak periods.

As for public transport services, following the established practice for other new developments and infrastructure projects, the TD has been maintaining close liaison with the relevant departments on the HKCH and NAH, with a view to planning in advance the provision of appropriate public transport services to meet passengers' needs, having regard to the progress and anticipated completion dates of the two projects.

There are currently four franchised bus routes and five green minibus (GMB) routes serving the HKCH, connecting the hospital with districts such as Kwun Tong, Kowloon City, Mong Kok and Tsim Sha Tsui, as well as nearby MTR stations including Kai Tak Station, Sung Wong Toi Station, To Kwa Wan Station, Kowloon Bay Station, Ngau Tau Kok Station, Kwun Tong Station, etc. The TD has also planned to introduce an additional bus route that will pass through the areas of To Kwa Wan and Hung Hom, and extend a bus route that runs through Yau Tsim Mong, Sham Shui Po and Cheung Sha Wan this year to serve the area of the HKCH. Moreover, the TD is considering introducing an additional GMB Supplementary Route No. 88A running to/from Wong Tai Sin to facilitate local residents' visits to the HKCH. Upon commissioning of the NAH, the TD and operators will make arrangements for the above franchised bus and GMB routes to call at the hospital, providing convenience to its visitors.

Meanwhile, the HKCH has arranged to provide its staff with free of charge employees' service operated by non-franchised buses running to/from the MTR Kowloon Bay Station, Ngau Tau Kok Station and Kai Tak Station. Apart from the above public transport services, Rehabus operators also provide services for mobility impaired persons commuting between MTR stations and the HKCH.

The TD will continue to closely monitor the progress of the NAH project

and the development of the area, with a view to adjusting or enhancing the local public transport services when necessary to meet passengers' demand. The HA will also continue to maintain communication with other relevant departments in a bid to further improve the road traffic network and transport system in the vicinity of the NAH.

(2) The Government is pressing ahead with the CKR project as well as the Trunk Road T2 and Cha Kwo Ling Tunnel project. The target commissioning of the two projects in 2025 and 2026 respectively remain unchanged.

The overall progress of the two projects is satisfactory. On the CKR, the structural works for most of the tunnels, slip roads and tunnel buildings have been completed while the associated electrical and mechanical works are in full swing. It is on target to be commissioned in 2025. On Trunk Road T2 and Cha Kwo Ling Tunnel, the construction of the two tunnel tubes is underway while the works for the two ventilation buildings and ancillary facilities are also progressing steadily. Based on the current progress, the project will be able to cope with the anticipated completion of the NAH in 2026 and its traffic needs.

Upon completion of the works, the journey time from Yau Ma Tei Interchange to Kai Tak Interchange during peak hours can be significantly reduced from about 30 minutes to about five minutes.

(3) One of the stations of the Smart and Green Mass Transit System in Kai Tak is proposed to be located in the residential area of the former runway area, which is about 500 metres in walking distance from the HKCH and NAH. The alignment, if extended to both hospitals, will be constrained by the existing or planned development sites in the residential area of the former runway area, while the residential buildings there are densely built without sufficient space for the proposed System to pass through. The proposal will also have considerable impact on the project's implementation, operational efficiency and overall cost-effectiveness and its feasibility is yet to be established.

The Government will invite suppliers and operators of relevant systems to submit Expression of Interest in the second half of this year to exchange views on the feasibility of extending or adjusting the alignment of the System. We will also request the consultant to make reference to the views of suppliers and operators when reviewing the overall feasibility of the proposed provision of a station at the NAH during the investigation stage. We will strive to invite tenders for the project in 2026 with an aim to awarding the contract in 2027. We will complete the review before commencing the tendering exercise.

Thank you, President.

Two owners convicted of overcharging subdivided unit tenant for water

Two co-owners of a subdivided flat on Wing Lung Street, Sham Shui Po, Kowloon, were convicted today (July 3) of overcharging their subdivided unit (SDU) tenant for water, in contravention of regulation 47 of the Waterworks Regulations. The two co-owners each pleaded guilty to eight counts (i.e. total 16 counts) of offences at the Kowloon City Magistrates' Courts and were fined \$1,000 for each contravention for a total fine of \$16,000.

This is the 20th similar conviction case since the first conviction in June 2022, with associated fines ranging from \$1,000 to \$16,000. This is also the fourth case convicted after enactment of the Waterworks (Amendment) Ordinance 2024 (the amended WWO) on April 19, 2024.

A spokesman for the Water Supplies Department (WSD) said that the amended WWO strengthened the power of the Water Authority in evidence collection and information disclosure during the investigation of suspected cases of overcharging for water. The Water Authority can request the landlords, their agents, etc, to provide the tenancy agreement, receipt or payment record for water charges. Failure to comply with such a request can be an offence and the offender is liable on conviction to a maximum fine of \$10,000 and a further fine of a maximum \$1,000 for each day the offence continues. It is anticipated that there will be more prosecution cases. The maximum penalty for overcharging SDU tenants for water has been raised to \$25,000 so as to deter this illegal act. Moreover, providing false or misleading information to the Water Authority is also an offence with a maximum penalty of a \$25,000 fine and six months' imprisonment.

The WSD spokesman strongly appealed to landlords to apply for installation of separate water meters for their SDUs, which can greatly reduce the risk of contravening the amended WWO. The water fee deposit and the charge for providing a meter for each separate water meter installed under the Scheme for Installation of Separate Water Meters for Subdivided Units will be waived. Individual water bills will be provided for each water meter account. The first 12 cubic metres of water are free at four-month intervals. SDU tenants can contact the WSD to raise their request for separate water meters. Upon receiving such requests, the WSD will contact their landlords for installation of the separate meters. If the landlords refuse, the WSD may require landlords to provide information on the recovery of water charges from their tenants for suspected overcharging cases. Details of the scheme can be obtained from the WSD website (www.wsd.gov.hk/en/customer-services/application-for-water-supply/pilot-scheme-for-installation-of-separate-water-me/index.html).

The WSD encourages the public to report any illegal act of overcharging SDU tenants for water for follow-up and investigation by the department. The public can call the WSD Hotline 3468 4963 or WhatsApp 5665 5517 to apply for installation of separate water meters for SDUs. The WhatsApp hotline also

handles matters relating to water overcharging in SDUs. Alternatively, the public can call the WSD Customer Enquiry Hotline 2824 5000 to report water overcharge cases. After calling the hotline and choosing a language, they can press "7" for reporting to staff directly.

LCQ7: Assisting children of non-local talents in pursuing studies and education in Hong Kong

Following is a question by the Hon Shang Hailong and a written reply by the Secretary for Education, Dr Choi Yuk-lin, in the Legislative Council today (July 3):

Question:

As at the end of April this year, a total of 290 000 applications were received under various talent admission schemes. Among them, nearly 180 000 applications had been approved, and some 120 000 talents had arrived in Hong Kong. It is learnt that many incoming talents have brought along their young children to settle in Hong Kong. Regarding assisting children of non-local talents in pursuing studies and education in Hong Kong, will the Government inform this Council:

(1) given that in its reply to a question raised by a Member of this Council on May 22 this year, the Government indicated that as local primary and secondary schools did not need to report the admission of minor dependants of talents admitted to Hong Kong under the Top Talent Pass Scheme (TTPS) to the Education Bureau (EDB), it did not have statistics on the number of such dependants studying in Hong Kong, whether the Government will consider requesting schools to report the relevant figures to the EDB;

(2) of (i) the vacancy of places in all primary and secondary schools in Hong Kong, together with a breakdown by type of school (i.e. government, aided and Direct Subsidy Scheme schools), and (ii) the vacancy of places in all kindergartens in Hong Kong, together with a breakdown by type of school, in the recent two years;

(3) given that many applicants approved under TTPS have reportedly indicated that as they can hardly obtain information on schools in Hong Kong from official channels in the Mainland, they have to make do with non-official information provided by Mainland key opinion leaders or bloggers, whether the Government has put in place new measures to provide such approved applicants with information on making late admission applications to schools for their children; and

(4) whether it will collaborate with any non-governmental organisations to launch new measures to assist children of talents admitted to Hong Kong under various talent admission schemes in integrating into local school life smoothly during the early period of their arrival; if so, of the details; if not, whether the Government will consider expeditiously initiating relevant collaboration with such organisations?

Reply:

President,

The Government has implemented various talent admission schemes to attract talents from the Mainland and around the globe to come to Hong Kong for development, with a view to facilitating the growth of Hong Kong into an international talent hub and making new contributions to the country's high-quality development. Having consulted the Labour and Welfare Bureau, our consolidated reply to the question raised by the Hon Shang Hailong is as follows:

(1), (3) and (4) Under the prevailing arrangement, persons who are permitted to reside in Hong Kong as dependents (including but not limited to dependents of successful applicants under various talent admission schemes) are not required to obtain prior permission from the Director of Immigration for receiving education in Hong Kong. They can choose to enrol in primary and secondary schools of different finance types, and the schools concerned are not required to report to the Education Bureau (EDB).

In order to assist talents interested in coming to Hong Kong or newly-arrived applicants under various talent admission schemes in understanding information about education in Hong Kong, the Hong Kong Talent Engage (HKTE) publishes information on local education and further studies on its dedicated online platform, covering a brief introduction to the education system in Hong Kong and available options for further studies, etc, and containing hyperlinks to information or lists of Hong Kong publicly-funded primary and secondary schools, as well as the website of International Schools in Hong Kong (internationalschools.edb.gov.hk/en/index.html). If talents have any enquiries about education and further studies, the HKTE will refer them to the EDB for follow-up as appropriate. The EDB website and designated service offices also provide school information and frequently asked questions regarding placement assistance for their reference. The EDB provides placement assistance for children aged 6 to 15 who are eligible to enrol in public sector schools. Parents may also contact individual schools directly to apply for school admission for their children.

In addition, the HKTE actively collaborates with several working partners to introduce information about education in Hong Kong, such as having organised two free themed seminars on topics relating to local education system and study planning in Hong Kong, which enables incoming talents to have a better understanding of the education system in Hong Kong. The HKTE also organises themed seminars and workshops on education in collaboration with experts and organisations in the education sector, and invite talents who have already settled in Hong Kong to share their insights

and experiences so as to facilitate exchanges among new arrivals. Details of such activities will be announced on the HKTE's website and social media platforms in due course. On the other hand, local school councils also organise joint exhibitions and talks in the Mainland to provide information to and answer enquiries from the Mainland parents and students who are interested in studying in local schools. Some schools have even arranged school visits, class observations and experiential learning sessions for newly-arrived families and/or those intending to apply to come to Hong Kong with a view to allowing them to directly experience the learning environment and conditions in Hong Kong.

In respect of support services, the EDB has all along been committed to helping newly-arrived children (including dependents of persons permitted to stay in Hong Kong under different talent admission schemes) adapt to the learning environment in Hong Kong and integrate into the local community. The EDB provides them with support services, including a six-month full-time Initiation Programme arranged by local schools and a 60-hour Induction Programme organised by non-governmental organisations. The contents of these programmes cover language education, learning skills, personal growth and development, and social adaptation. Moreover, the EDB provides public sector schools and schools under the Direct Subsidy Scheme admitting newly-arrived children with a School-based Support Scheme Grant, so that they can flexibly provide school-based support services, such as afterschool supplementary lessons and orientation activities/guidance programmes/extra-curricular activities, according to the children's needs. Dependants permitted to stay in Hong Kong under different talent admission schemes can benefit from the above support services. We also encourage teachers to pay close attention to the needs and adaptation of the newly-arrived children, and render necessary support to them inside and outside classroom. All in all, schools will provide support services to all newly-arrived children based on their individual needs, rather than the categories of talent admission schemes under which they come to Hong Kong. The EDB does not require schools to report the figures on minor dependants of talents admitted to Hong Kong under the Top Talent Pass Scheme.

(2) The numbers of vacant places by type of schools in secondary and primary schools from the 2022/23 to 2023/24 school years are set out at Annex 1. Regarding kindergartens (KGs), all KGs in Hong Kong are privately run and could flexibly make use of their available registered classrooms to offer half-day or whole-day classes to address the demands of parents. In the 2022/23 and 2023/24 school years, KGs joining the Kindergarten Education Scheme (Scheme) and non-Scheme KGs participating in the Admission Arrangements for Nursery (K1) Classes in KGs and agreeing to release information on their vacancies (including Nursery (K1) to Upper KG (K3) half-day and whole-day classes), are set out at Annex 2.

Hong Kong Customs teams up with Australian Border Force and Australian Federal Police to curb international drug trafficking activities (with photos)

Hong Kong Customs mounted a joint operation with the Australian Border Force and the Australian Federal Police against drug trafficking activities by air consignments in June. During the operation, the authorities of the two places intercepted four air consignments that were used to conceal a total of about 13.5 kilograms of suspected methamphetamine and about 6kg of suspected cocaine. Of the total seizure, about 12.5kg of suspected methamphetamine with an estimated market value of about \$6.8 million was seized by Hong Kong Customs.

After a follow-up investigation, Hong Kong Customs searched a commercial building unit in Tsim Sha Tsui on June 23. About 500 grams of suspected liquid methamphetamine, a large batch of drug packaging paraphernalia, and materials suspected to be used to produce the moulds used for drug concealment were seized there. A 27-year-old man was also arrested.

The arrested man who declared to be unemployed has been charged with three counts of trafficking in a dangerous drug.

The Australian law enforcement officers then swiftly arrested a 17-year-old man suspected to be connected with the case in Perth, Australia, on June 25.

Customs will continue to fiercely combat cross-boundary drug trafficking activities through proactive risk management and intelligence-based enforcement strategies, close co-operation with Mainland and overseas law enforcement agencies, as well as strengthened mutual intelligence exchanges. Under the Dangerous Drug 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 Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002).

