

Budget initiatives to ease people's hardship, promote green living

In his 2021-22 Budget, the Financial Secretary, Mr Paul Chan, today (February 24) announced new initiatives to help people overcome hardship during the COVID-19 pandemic, and boost the living environment by building a green and liveable city.

To realise those goals, Mr Chan said the Government's "top priority is to contain the epidemic so that businesses and the public can be back to their daily routines".

To relieve people's hardship and alleviate the impact of the economic downturn, the Financial Secretary announced a series of one-off measures. They include:

- * Establishing a Special 100% Loan Guarantee for Individuals Scheme, with a maximum loan per applicant set at six times an individual's average monthly income during employment, subject to a ceiling of \$80,000. The interest rate will be fixed at 1 per cent per annum, with a principal moratorium for the first 12 months and a maximum repayment period of five years. Reimbursement for interest paid will be offered after loans are repaid in full as scheduled;

- * Reducing salaries tax and tax under personal assessment in 2020/21 by 100 per cent, subject to a ceiling of \$10,000;

- * Providing a rate concession for domestic properties in 2021/22, subject to a ceiling of \$1,500 per quarter in the first two quarters and \$1,000 per quarter in the last two quarters for each rateable property;

- * Granting each residential electricity account a subsidy of \$1,000;

- * Giving eligible social security recipients an extra half-month's standard payment allowance for Comprehensive Social Security Assistance, Old Age Allowance and Old Age Living Allowance or Disability Allowance, with similar arrangements for recipients of the Working Family Allowance and the Individual-based Work Incentive Transport Subsidy;

- * Paying the examination fees for school candidates taking the 2022 Hong Kong Diploma of Secondary Education Examination; and

- * Earmarking \$1 billion to subsidise drainage repair works in more than 3 000 old buildings.

Despite the fiscal deficit, the Financial Secretary said that the Government would maintain spending in areas related to people's livelihood.

The Government, Mr Chan said, will provide additional recurrent funding of some \$147 million to expand mental health services.

The Government will also develop about 8 800 residential care places and some 2 800 subsidised day-care service places for the elderly in the next few years.

The number of places for on-site pre-school rehabilitation services will be increased from 8,000 in the current school year to 10,000 in the 2022/23 school year.

The Financial Secretary also pledged to "make an injection of \$1.1 billion to the Lotteries Fund to ensure that development projects in respect of much-needed social welfare services premises (particularly major facilities for elderly and rehabilitation services) can proceed as scheduled and that their feasibility studies and detailed design work for such projects will not be affected".

"I also care about developing a quality city for our citizens," Mr Chan said.

To that end, Mr Chan announced that Hong Kong would implement its first roadmap on the popularisation of electric vehicles. He said the Government would cease the new registration of fuel-propelled private cars by 2035, or earlier, while promoting electric vehicles, expanding the charging network and training electric vehicle technical and maintenance practitioners.

To relieve traffic congestion, Mr Chan said the Government would increase the rate of each tax band for the first registration tax for private cars by 15 per cent and the vehicle licence fee by 30 per cent. He added that studies on congestion charging and the Electronic Road Pricing Pilot Scheme in Central will continue.

The Government will boost the Recycling Fund by an additional \$1 billion, extending the application period to 2027. An extra \$1 billion will also be set aside to install small-scale renewable energy systems at government buildings.

A quality city, Mr Chan said, also means "enhancing the facilities in our highly popular country parks, hiking trails, recreational facilities and harbourfront facilities".

\$500 million will be set aside for country parks, with the funds used to improve toilet facilities, boost barbecue and picnic sites, create tree-top adventures and glamping sites and revitalise wartime relics.

The Financial Secretary added that "football has long been one of the most popular sports" in Hong Kong, and that he wanted the general public, particularly young people, to have more opportunities to play the game and develop their potential. To that end, he said he would earmark \$318 million to upgrade more than 70 football pitches over the next five years.

Harbourfront enhancement will also continue. Mr Chan said the Government would seek funding from the Legislative Council this year to commence two major projects: the Boardwalk underneath the Island Eastern Corridor and the harbourfront park at Eastern Street North in Sai Ying Pun.