

CS responds to “The Chief Executive’s 2019 Policy Address”

Following is the response of the Chief Secretary for Administration, Mr Matthew Cheung Kin-chung, to "The Chief Executive's 2019 Policy Address":

The Chief Executive has just announced the Policy Address, entitled "Treasure Hong Kong: Our Home". Together with its Supplement, this year's Policy Address contains more than 220 new measures that aim to address deep-seated social problems and, through improvement of people's livelihood, continue to propel Hong Kong forward steadily.

It should be noted that the Chief Executive has stressed the determination of the Hong Kong Special Administrative Region (HKSAR) Government to adhere to three cardinal principles, be it in handling major crises or continuing to discharge its governance responsibilities:

1. Adhering to "one country, two systems" and safeguarding our rights and freedoms protected by the Basic Law;
2. Making every effort in safeguarding the rule of law which is the cornerstone of Hong Kong's success; and
3. Protecting Hong Kong's institutional strengths.

Housing is the toughest livelihood issue at present. This year's Policy Address proposes a number of short- and medium-term measures, including:

- Setting aside \$5 billion for the construction of 10 000 transitional housing units over the next three years; accelerating the sale of 42 000 flats under the Tenants Purchase Scheme; providing more flats under the Green Form Subsidised Home Ownership Scheme and Starter Homes; and increasing the quota for the White Form Secondary Market Scheme.
- Raising the cap on the value of properties under the Mortgage Insurance Programme of HKMC Insurance Limited. For first-time home buyers, the cap on the value of properties eligible for mortgage loans of maximum cover of 90 per cent loan-to-value (LTV) ratio will be raised from \$4 million to \$8 million while the cap on the value of properties eligible for mortgage loans of maximum cover of 80 per cent LTV ratio will be raised from \$6 million to \$10 million;
- Providing about 3 300 places under the Youth Hostel Scheme (YHS) while allowing YHS tenants to submit or retain their applications for public rental housing and continue to accumulate points under the Quota and Points System;

- Increasing the supply of land including invoking the Lands Resumption Ordinance to resume privately owned land in the New Territories that may have development potential wholly for public housing (including public rental housing, the Green Form Subsidised Home Ownership Scheme and the Home Ownership Scheme) and Starter Homes.

The Policy Address also introduces a series of new measures to improve people's livelihood. Key measures include:

- Pro-family: Regularise the provision of annual student grants of \$2,500 benefiting all 900 000 kindergarten primary school and secondary day school students in Hong Kong; increase the number of service places of the On-site Pre-School Rehabilitation Services; implement a pilot scheme to provide early intervention services in kindergartens and child care centres; increase full fee-waiving places of the after-school care programme; raise all payment rates of the Working Family Allowance (Child Allowance will be raised substantially by 40 per cent); and increase the subsidy rate of the Public Transport Fare Subsidy Scheme to one-third of the monthly public transport expenses in excess of \$400, while raising the subsidy cap to \$400.
- Poverty alleviation: Improve the Comprehensive Social Security Assistance (CSSA) Scheme to encourage employment including a substantial increase in the maximum level of disregarded earnings to \$4,000 (up 60 per cent); disregard the first two months' income earned from a new job (on condition that the recipient has not benefited from this provision during the past two years); enhance employment support services; extend a range of supplements and special grants to eligible non-elderly able-bodied recipients; increase the maximum rent allowance for CSSA families; and invite the Community Care Fund to launch a "one-off living subsidy" for low-income households not living in public rental housing and not receiving CSSA, pending completion of the study on implementing a recurrent cash allowance scheme by the end of 2020.
- Education: Reserve \$1 billion to take forward conversion works for some 600 aided school premises to enhance the teaching and learning environment and efficacy.
- Public healthcare: Extend the School Outreach Vaccination Programme to cover kindergartens and child care centres on a pilot basis; provide primary healthcare services of different scales in all 18 districts; introduce a quota of over 600 000 for subsidised Chinese medicine out-patient, acupuncture and tui-na services at Chinese Medicine Centres for

Training and Research; and reduce the additional daily in-patient fee for Integrated Chinese-Western Medicine services from \$200 to \$120.

- Improving the living environment: Expand the Universal Accessibility Programme to retrofit lifts to walkways in estates under the Tenants Purchase Scheme and the Buy or Rent Option Scheme and public rental housing estates with properties divested; inject an additional \$3 billion into Operation Building Bright 2.0 and an additional \$2 billion into the Building Maintenance Grant Scheme for Elderly Owners to assist more needy owners in inspecting and repairing their buildings; inject an additional \$2 billion into the Lift Modernisation Subsidy Scheme to expand the coverage to 8 000 lifts; and prepare for a \$2 billion pilot subsidy scheme to promote installation of electric vehicle charging-enabling infrastructure in car parks of existing private buildings.

This is a progressive, bold, caring and action-oriented Policy Address. The HKSAR Government will ensure that our governance will be more open and accommodating and our future work closer to the aspirations, sentiments and opinions of people while proactively enhancing public engagement.

I sincerely hope that all quarters of society can put aside their differences and say "NO" to violence so that peace can be restored and Hong Kong return to the right track. As pointed out in the closing remarks of the Policy Address, Hong Kong can set sail again based on our rule of law built over the years, core values, unique advantages of "one country, two systems", international status, open market and pool of talents, as well as our people's pragmatism, rationality, mutual support and can-do spirit.