

LCQ15: Understanding real life of middle class

Following is a question by the Hon Paul Tse and a written reply by the Chief Secretary for Administration, Mr John Lee, in the Legislative Council today (October 27):

Question:

Recently, the Director and various Directors-General of the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region (SAR) conducted personal visits to grass-roots families in caged homes and subdivided units, and inspected the operation of Chinese medicine clinics, border control, etc. Thereafter, being unwilling to lag behind, officials of the SAR Government visited the local communities. Some members of the middle class have queried why the Chief Executive and the principal officials of the Government were unwilling to lag behind, with "Central" (meaning the SAR Government) following the practice of "Western" (meaning the Liaison Office) and conducted visits to districts to understand the public sentiments only when the term of office of the current-term Government is approaching the end. Such members of the public also do not understand why government officials only visited the grass-roots but were indifferent to issues, such as those about emigration, childbearing decision, children's education, economic hardship amid the persistent epidemic, medical "inflation", worries over the "mandatory" transition of Mandatory Provident Fund into annuities, high rent levels, heavy tax burdens and financial difficulties, faced by those middle class families which have desperately been seeking to emigrate to other countries. Furthermore, the latest Policy Address does not say much about the hardship of the middle class and the emigration tide, making them feel neglected. In this connection, will the Government inform this Council:

(1) whether the principal officials of the Government will visit the middle-class districts and housing courts on Hong Kong Island and in Kowloon, such as Laguna City in Kowloon East, to understand personally the own feelings of middle class members of the public and what they think about their personal prospects, the future of society and policy implementation by the Government; if so, of the details;

(2) continuing from the above question, whether such officials will prepare reports after the visits to give an account of their understanding of the livelihood problems of the middle class, and ask the Liaison Office to forward the reports to the Central Authorities, so that state leaders may have a deeper and comprehensive understanding of the middle class as well as the various social classes of the entire society of Hong Kong;

(3) whether it will squarely address the problem concerning the emigration of quite a number of members of the middle class recently, proactively analyse

its causes and seriousness, as well as its impacts on Hong Kong's economy and talent wastage, and formulate corresponding population policies or take other measures to fill the talents wasted; and

(4) as some members of the public are of the view that the latest Policy Address has ignored the aforesaid issues faced by the middle class, whether the Government will introduce short-term targeted measures to relieve the hardship of members of the middle class?

Reply:

President,

A consolidated reply to the question raised by the Hon Paul Tse is as follows:

The Hong Kong Special Administrative Region (HKSAR) Government attaches great importance to maintaining good communication with members of the public and stakeholders. By understanding their views towards governance and different policies, the Government can ensure that its governance and policies could better meet the need of the society and the expectation of members of the public.

In this regard, the Government has been gauging views of people from all walks of life through different channels and mechanisms, including visits undertaken by officials at different levels; the community networks maintained by the Home Affairs Department and its 18 District Offices; around 500 advisory and statutory bodies established under different policy portfolios; public consultations on specific subjects or policies; Government hotline 1823 and other hotlines provided by bureaux and departments for members of the public to express their opinions, make enquiries, and lodge complaints. In addition, the Chief Executive and the Financial Secretary hold consultation sessions and invite public to give suggestions annually in preparation for the Policy Address and Budget. These are also important channels for the Government to gather public opinions.

Relevant bureaux and departments will duly follow up the views collected from members of the public through different channels and will enhance the relevant policies and measures, taking into consideration the feasibility of the suggestions, resources allocation and other relevant factors. In fact, different policies or measures were introduced or refined after taking into account the public views, such as increasing the paternity leave entitlement from three to five days for each confinement of one's spouse/partner; increasing the number of statutory holidays progressively from currently 12 days to 17 days; relaxing on a time-limited basis the asset requirement of the Comprehensive Social Security Assistance Scheme and Short-term Food Assistance Service Projects, and lowering on a time-limited basis the working hour requirement of the Working Family Allowance Scheme to provide support to needy persons for tackling the challenges posed by the COVID-19 epidemic.

In conclusion, the Government has all along been collecting views from

members of the public through multiple channels, of which visits undertaken by officials are only one of them. That said, officials of the HKSAR Government value opportunities to directly engage with different sectors of the society, and will arrange visits to local communities to meet people from all walks of life from time to time.

In his question, the Hon Paul Tse asked about the care and support the Government rendered to the "middle class". "Middle class" is a loosely defined term with no unified international definition. On one hand, the term could generally refer to one's economic background, academic qualification, income or asset level, and on the other hand, could refer to one's lifestyle and values. The Government has all along been formulating different measures that benefit different sectors of the community including the "middle class". Some examples of these measures are set out below:

- (i) Non-means-tested universal services and measures, including the Public Transport Fare Subsidy Scheme, Kindergarten Education Scheme, free primary and secondary education and funding for higher education, public healthcare services;
- (ii) Various tax allowances targeting working families which need to support children, siblings, parents or grandparents;
- (iii) Relief measures introduced under the Budget, such as electricity charges subsidy, reducing taxpayers' salaries tax and tax under personal assessment, and providing rates concession and government rental waiver;
- (iv) Assisting the public in achieving home ownership, including increasing housing supply, delinking the price of the Home Ownership Scheme flats from market prices, introducing the "Starter Homes" units, and raising the maximum property value for mortgage loans under the Mortgage Insurance Programme;
- (v) Providing support to those who intend to become entrepreneurs, such as the Funding Scheme for Youth Entrepreneurship in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and the Innovation and Technology Venture Fund; and
- (vi) Providing loan guarantee for small and medium enterprises (SMEs), such as the SME Financing Guarantee Scheme.

Apart from the above-mentioned examples, the 2021 Policy Address maps out Hong Kong's future by putting forward the Northern Metropolis Development Strategy, as well as formulating specific measures to enhance Hong Kong's international competitiveness as the eight centres or hubs charted in the National 14th Five-Year Plan, with a view to building a brighter future for Hong Kong. These measures can benefit people across all sectors and backgrounds in society, including "middle class".

In response to the Hon Paul Tse's question on migration, the Government considers that people's decision to remain in or leave Hong Kong are based on many factors, such as education, business and investment opportunities, and

other personal and family factors. The Government will continue to consolidate advantages of Hong Kong, leveraging the Central Government's policies in support of Hong Kong to bring continuous and new impetus to the economy. The Government will continue to strengthen its effort in explaining the prospects and opportunities of Hong Kong to the public with a view to helping them appreciate Hong Kong's enormous potential so that they will continue to develop their career in Hong Kong.

Furthermore, the Government will more proactively attract non-local talents to develop in Hong Kong through various talent admission schemes to enrich the talent pool, promote high-end economic development and seize the development opportunities as provided under the National 14th Five-Year Plan and in the GBA. For example, professionals can come to work in Hong Kong under the General Employment Policy and Admission Scheme for Mainland Talents and Professionals. Non-local graduates who have obtained an undergraduate or higher qualification can stay in Hong Kong for employment through the Immigration Arrangements for Non-local Graduates. A fast-track arrangement was also introduced for the employment visa/entry permit for non-local technology talents under the Technology Talent Admission Scheme launched in 2018. In addition, talents from all around the world can settle in Hong Kong through the annual quota of the Quality Migrant Admission Scheme, which will be doubled to 4 000. At the same time, the Government will also enhance the talent list by adding new professions and expanding the scope of some existing professions so as to attract high-end professional talents that are in short supply locally in a targeted manner.