

## LCQ4: Relief measures under Anti-epidemic Fund

Following is a question by the Hon Elizabeth Quat and a written reply by the Chief Secretary for Administration, Mr Matthew Cheung Kin-chung, in the Legislative Council today (May 6):

Question:

Regarding the two rounds of relief measures rolled out by the Government under the Anti-epidemic Fund, will the Government inform this Council:

(1) given that among the 30 000 time-limited jobs to be created with an allocation of \$6 billion by the Government in the coming two years, only some 200 jobs will be offered to fresh graduates, whether the Government will consider increasing the number of the latter; if so, of the details; if not, the reasons for that;

(2) of the latest implementation status of the "Anti-epidemic Support Scheme for Property Management Sector", including (i) the respective numbers of applications received, approved and rejected, (ii) the amount of subsidies granted, and (iii) the number of building blocks benefited; if there were rejected applications, of the reasons for that;

(3) whether it will introduce a new round of relief measures expeditiously to provide support for the operators and practitioners of the laundry trade, dishwashing companies, intermediaries for foreign domestic helpers and playgroups, who have not benefited from the first two rounds of relief measures; if so, of the details; if not, the reasons for that;

(4) given that accredited tourist guides/tour escorts must have provided tour services for a specified number of days over the period from July 1, 2018 to December 31, 2019 for them to be eligible for applying for the subsidy under the Travel Agents and Practitioners Support Scheme, but some practitioners are unable to meet this requirement on the number of days for which tour services were provided because the number of outbound and inbound tour groups dropped substantially in the second half of last year due to social movements, whether the Government will consider relaxing this requirement; if so, of the details; if not, the reasons for that

(5) given that while the Government will provide a subsidy for eligible printing and publishing companies participating in the next Hong Kong Book Fair, the date of the event has become uncertain due to the persistence of the epidemic, whether the Government will consider first providing such companies with financial assistance for the time being; if so, of the details; if not, the reasons for that; and

(6) given that construction workers who are subsidised under the first round

of relief measures will be automatically included in the second round and do not need to submit separate applications, whether the Government will likewise streamline the application procedure for the relief measures introduced for other industries, with a view to disbursing subsidies to practitioners of the various industries as soon as possible; if so, of the details; if not, the reasons for that?

Reply:

President,

In light of the development of the coronavirus disease 2019 (COVID-19), the Government has been taking vigilant anti-epidemic measures to contain the public health risk. Having regard to the impact of these measures on the livelihood of individuals and business operation, the Government secured the approval of the Legislative Council Finance Committee (FC) on February 21, 2020 for a commitment of \$30 billion to set up the Anti-epidemic Fund (AEF). The purposes of the AEF are to enhance Hong Kong's overall capability in combating the pandemic, and to provide assistance or relief to enterprises and members of the public hard hit by the pandemic or affected by anti-epidemic measures. Taking into account the development of the pandemic and the overall situation, the Chief Executive announced on April 8, 2020 a comprehensive package of measures of over \$130 billion to support eligible individuals and businesses. The Government secured FC's funding approval on April 18, 2020, including a \$120.5 billion injection to the AEF to implement second-round relief measures.

The Government's reply to different parts of the Member's question is as follows:

(1) To ease the worsening unemployment situation owing to the pandemic, the Government will allocate about \$6 billion to create around 30 000 time-limited jobs in both the public and private sectors in the coming two years for people of different skill sets and academic qualifications.

The around 10 000 jobs mentioned in relation to the measure in the enclosure of the paper submitted earlier to FC (FCR(2020-21)2) for funding approval are just examples. It is expected that more jobs suitable for tertiary graduates and fresh graduates will be available for application among the time-limited jobs to be created by bureaux and departments (B/Ds).

In addition, taking into account the overall staff wastage (mainly owing to retirement) and the expected creation of new posts in the civil service (it was announced in the 2020-21 Budget that about 6 000 civil service posts would be created), the Government estimates that at least 10 000 civil servants will have to be recruited in 2020-21. B/Ds will conduct recruitment exercises in a timely manner according to their regular manpower resources planning and select the most suitable candidates from the qualified applicants to fill job vacancies to meet operational needs and support long-term succession planning. A number of these vacancies will be suitable for tertiary graduates.

(2) To support the anti-epidemic work of the property management (PM) sector, the "Anti-epidemic Support Scheme for Property Management Sector" (ASPM) under the first round of the AEF started to accept the first phase of applications on February 24, 2020. Subsidy is provided to frontline workers providing cleansing and security services in private residential and composite (i.e. commercial-cum-residential) buildings. In view of the development of the pandemic, the Government has launched the second phase of the ASPM under the AEF on April 24, 2020. The coverage has been extended to industrial and commercial buildings (including shopping malls).

The implementation of the ASPM is assisted by the Property Management Services Authority (PMSA). The disbursement of the subsidies has started since March 13, 2020. As of May 4, 2020, the PMSA has received about 8 200 applications, around 3 100 applications of which have been approved. The applications approved involves subsidy of more than \$113 million, benefiting more than 28 400 PM workers and around 18 700 building blocks. On the other hand, around 30 applications have not been accepted, as the applicants have not engaged any frontline PM workers to provide cleansing and security services in the relevant buildings. The PMSA is expediting the processing of around 5 100 remaining applications.

(3) With a wide coverage, the measures under the second-round AEF aims to preserve employment and assist the self-employed irrespective of the sectors to which they belong, provide extra relief to those sectors hard hit by the pandemic and pave the way for post-pandemic economic recovery. The measures include the \$81 billion-Employment Support Scheme (ESS) as well as sector-specific initiatives totalling \$21 billion. The ESS provides wage subsidy to eligible employers through the Mandatory Provident Fund system such that job retention can be achieved and redundancy can be avoided within the shortest timeframe. Under the ESS, around 215 000 self-employed persons who have made contributions to the Mandatory Provident Fund from January 1, 2019 to March 31, 2020 will also be granted a one-off lump sum subsidy of \$7,500.

Apart from the relief measures under the second-round AEF, the Government will also roll out a host of other measures. They include providing further concessions for the rent of government properties and fees, enhancing the SME Financing Guarantee Scheme and allowing deferral of tax payment to support various businesses. In particular, the further enhancements of the SME Financing Guarantee Scheme include a higher maximum loan, concessionary interest rate and an extended application period to provide enterprises with the much needed financial support to ease cash flow problems. Together with the relief measures under the first-round AEF costing \$30 billion and the relief measures in the 2020-21 Budget costing \$120 billion, the Government has committed a total of \$287.5 billion to tackle the unprecedented challenges caused by the pandemic and to support enterprises and safeguard jobs. The amount committed represents about 10 per cent of Hong Kong's GDP.

In formulating the specific plans under the two rounds of AEF and the Budget initiatives, the Government has strived to balance the interests of

various sectors and the general public as far as possible. We hope that these measures can help address the imminent needs of enterprises and people in need. The Government will continue to closely monitor the pandemic and social situation, and consider further support measures as necessary.

(4) The Government has launched the Travel Agents and Practitioners Support Scheme under the second-round AEF, which includes providing each freelance accredited tourist guide/tour escort whose main occupation is being tourist guide/tour escort with a monthly subsidy of \$5,000 for six months. When formulating the details of the Scheme, the Government has taken into account the fact that the livelihood of tourist guides and tour escorts has been severely impacted by the social incidents last year and the current COVID-19 outbreak. Having discussed with the trade, the Government has designed the Scheme such that relevant freelance practitioners can apply for subsidy based on their working days in serving outbound and/or inbound tours within a longer period, i.e. July 1, 2018 to December 31, 2019. The Government will continue to liaise with the trade to ensure the smooth implementation of the Scheme.

(5) Various measures under the second-round AEF to provide relief to businesses are applicable to the printing and publishing sector, including the \$81 billion-ESS and the SME Financing Guarantee Scheme. In addition, the Government announced other measures including reducing profits tax, rates for non-domestic properties and business registration fee, etc. These measures should help reduce the operating cost of printing and publishing enterprises.

The objective of subsidising printing and publishing enterprises to participate in the coming Hong Kong Book Fair is to help the trade recover as soon as possible once the pandemic is under control. The Hong Kong Book Fair is one of the largest book fairs in Asia. The 2020 Fair is scheduled to take place from July 15 to 21. The Hong Kong Trade Development Council has spared no efforts in its preparatory work so that exhibitors may push ahead with their publicity work once the dates of the Book Fair are confirmed.

(6) The Government understands the importance of allowing eligible enterprises and members of the public benefit from AEF measures as soon as possible. In drawing up the application procedures for the various measures, B/Ds will strike a balance between facilitating applications and properly administering fund deployment, with a view to disbursing the subsidies at the earliest opportunity. For example, the Retail Sector Subsidy Scheme under the first-round AEF has adopted a fully self-serviced online application system to expedite the application process and increase vetting efficiency. During the application period, retailers could submit application and relevant documentary proof through their personal computers or smart phones anywhere and anytime without the need to queue up. This avoids crowd gathering and helps combat the COVID-19 outbreak.