

Transcript of remarks by FS (with video)

Following is the transcript of remarks by the Financial Secretary, Mr Paul Chan, at a media session after attending a seminar on supporting SMEs to cope with economic challenges which was held by the Business and Professionals Alliance for Hong Kong this afternoon (September 13):

Reporter: Is there ... pressure for invoking the land resumption law to reclaim the vacant sites? Because today the People's Daily, there's a commentary from the People's Daily calling for the Government to invoke the Land Resumption Ordinance to reclaim the vacant sites. Do you think this move will make the ... developers unhappy, and will they co-operate with the Government?

Financial Secretary: Using resumption power to resume private land for public interest purposes has been one of the powers of the Hong Kong SAR Government. We have invoked this power before, resuming land for, say for example, building roads, building public housing estates. So it is nothing new, and going forward this will continue to be one of the options available to the Government in terms of getting more land for public interest purposes.

Reporter: So the Fraser Institute has warned that the position, of Hong Kong SAR's position as the freest economy in Hong Kong is now being threatened from the Central Government because of the crackdown on pro-democracy protests. What do you make of this statement? And also could you explain because the vacant property tax is now, like, criticised by the construction sector saying this may add oil to the fire and raising the property prices. What is your response to that? Thank you.

Financial Secretary: Well, on the comments by Fraser Institute with regard to our rule of law and "one country, two systems" arrangement, I think the allegation of Fraser Institute is ungrounded. It is not substantiated by any objective evidence. Over the past few months, you can see that Hong Kong continues to enjoy peaceful demonstration, freedom of expression and, as I said before, "one country, two systems" is the most important foundation for the social and economic development of Hong Kong. It is in the interest of the Hong Kong SAR Government as well as in the interests of the Central Government to uphold this arrangement.

As to your question about vacancy tax for first-hand residential property, the policy objective of that amendment bill is to make sure residential units, on completion, will be supplied to the market for rental or sale purposes as quickly as possible. Over the past three months, because of social incidences here, the property market has become a little quiet, and in some areas the price may have softened a little bit. But this does not affect us in terms of our determination in pushing completed units' timely supply to the market.

Thank you.

(Please also refer to the Chinese portion of the transcript.)