

(Translation)

**Motion on
“Urging the Government to make effective use of the surplus
and plough it back into the community”
moved by Hon SIN Chung-kai
at the Legislative Council meeting
of Wednesday, 24 January 2007**

Motion as amended by Hon Frederick FUNG Kin-kee and Hon WONG Kwok-hing

“That, as the disparity between the rich and the poor in Hong Kong continues to aggravate, whereas the Government’s finance returned to the surplus last year and the target fiscal surplus for this year will be attained, and the Government further anticipates a very robust financial position with a fiscal reserve exceeding \$400 billion by 2012, this Council urges that, having regard to the existing improved economic and financial situation, the Government should accord priority to alleviating the disparity between the rich and the poor and protecting the interests of the grass-roots workers and the disadvantaged groups before reducing salary tax to alleviate the burden on the middle class, and target at facilitating Hong Kong’s long term development by making effective use of the surplus and investing more resources in:

- (a) setting up a children’s development fund to provide opportunities for children from low-income families to participate in extra-curricular activities;
- (b) granting travelling allowance to the low-income groups residing in remote areas to relieve the problem of working poverty;
- (c) promoting the development of social enterprises by providing them with one-stop support, training and consultancy services, as well as offering them seed money, short-term rent remission and tax concessions;
- (d) shortening the waiting time for care places for the elderly;
- (e) allowing the elderly to use public medical services at half price;
- (f) implementing cross-boundary and large-scale infrastructure projects to create jobs;
- (g) implementing small class teaching to improve the quality of education;
- (h) offering loans to associate degree graduates to study abroad, so as to nurture talents; and

- (i) implementing a green tax to encourage environmental protection by the public through economic incentives;
- (j) relaxing the limit of absence from Hong Kong to one year in respect of the Old Age Allowance;
- (k) allowing tax deduction on loan repayment to various student financial assistance schemes;
- (l) raising the allowance for the first two children to \$50,000 and creating an allowance for unemployed dependent parents or grandparents aged over 50;
- (m) providing every household with a deduction of \$5,000 on rates; and
- (n) offering employees a tax concession of up to \$1,000 for voluntary contributions to the Mandatory Provident Fund.”