

Motion on
“Sharing the fruits of economic growth by all the people”
Moved at the Legislative Council Meeting
of Wednesday, 30 January 2008

Progress report:

In the 2008-09 Budget, the Government took into account the large surplus in 2007-08 and proposed to allocate additional resources in four main areas, namely, promoting long-term development, supporting disadvantaged groups, leaving wealth with the people and providing for future challenges.

2. On the specific measures in the motion, please note that the Budget proposed–

- (a) waiving 75% of the salaries tax and tax under personal assessment for 2007-08, subject to a ceiling of \$25,000;
- (b) raising the basic allowance and the single parent allowances to \$108,000 and the married person’s allowance to \$216,000, and widening the tax bands to \$40,000;
- (c) allocating an additional \$785 million to the Hospital Authority in 2008-09. With the increased allocation, the Hospital Authority would continue to strengthen and improve its services in different areas and to meet the health care needs of the community;
- (d) numerous measures to help the disadvantaged groups. Please refer to paragraphs 128 to 163 of the Budget Speech for details;
- (e) implementing vigorously various infrastructure projects with an estimated expenditure of \$21.8 billion for them in 2008-09. This estimate does not include the upfront endowment of \$21.6 billion to the West Kowloon Cultural District Authority. About 27 000 new construction jobs are expected to be created;
- (f) increasing funding for the 18 District Councils to \$600

million a year to carry out various community involvement activities and district minor works;

- (g) setting up an \$18 billion Research Endowment Fund to provide steady, additional resources to support research and development activities conducted by institutions funded by the University Grants Committee; and
- (h) supporting the development of our creative economy through various measures.

3. The pre-primary education vouchers have only been in operation since the current school year. The proposed health care vouchers for the elderly will only be in operation from 2008-09. We consider it appropriate to allow such schemes to run for a while before we consider whether changes to the schemes are required.

Financial Secretary's Office
March 2008