

立法會
Legislative Council

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Tel : 2869 9205

Date : 21 December 2010

From : Clerk to the Legislative Council

To : All Members of the Legislative Council

Council meeting of 5 January 2011

Motion on
“Urging the Government to take measures for ameliorating inflation and alleviating people’s livelihood pressure”

Hon WONG Sing-chi has given notice to move the attached motion on “Urging the Government to take measures for ameliorating inflation and alleviating people’s livelihood pressure” at the Council meeting of 5 January 2011. The President has directed that “it be printed in the terms in which it was handed in” on the Agenda of the Council.

(Mrs Justina LAM)
for Clerk to the Legislative Council

Encl.

(Translation)

**Motion on
“Urging the Government to take measures for ameliorating inflation and
alleviating people’s livelihood pressure”
to be moved by Hon WONG Sing-chi
at the Legislative Council meeting
of Wednesday, 5 January 2011**

Wording of the Motion

That Hong Kong has seen rapid economic growth and the re-emergence of inflation since 2004, but the increases in wages of grass-root people have failed to catch up with increases in prices, resulting in the decline in their real wages and living standards; in the recent year or so, there has been an influx of outside capitals into Hong Kong and a substantial increase in property values, bringing significant rental increases, and further boosting inflation; moreover, in the recent month, the fees and charges of many public utility services have been adjusted and the rates of increases are higher than the inflation rate, and the livelihood of the grass-root people will be very difficult; in this connection, this Council urges the Government to implement measures to ameliorate inflation and alleviate pressure on people’s livelihood; the relevant measures should include:

- (a) to provide a subsidy of \$3,600 to each of the 2.5 million or so residential electricity accounts in Hong Kong; in order to encourage the public to reduce electricity consumption, to provide a subsidy of \$1,200 to members of the public whose electricity consumption in any half-year period is 5% or more less than that for the same period of the preceding year;
- (b) to pay two months’ rent for tenants living in the rental units of the Hong Kong Housing Authority and the Hong Kong Housing Society;
- (c) rates concession: to waive rates for the entire year of 2011-2012, subject to a ceiling of \$1,500 per quarter for each household;
- (d) to provide two additional months of payments for recipients of Old Age Allowance (i.e. ‘fruit grant’), Comprehensive Social Security Assistance and Disability Allowance;

- (e) to resume the Home Ownership Scheme and the Sale of Flats to Sitting Tenants Scheme;
- (f) salaries tax deduction: to increase the basic allowance according to the inflation rate from the present \$108,000 to \$113,000; to increase the married person's allowance according to the inflation rate from the present \$216,000 to \$226,000; to increase the child allowance from the present \$50,000 to \$60,000; and to increase the dependant parent allowance from the present \$30,000 to \$60,000;
- (g) to abolish the standard rate for salaries tax: it is proposed that the standard tax rate be abolished so that members of the public pay their salaries tax according to the marginal tax rate;
- (h) to provide members of the public with tax deductions for retirement protection savings: where members of the public purchase any retirement savings schemes the accrued benefits of which can only be claimed at the age of 65, or if they make any additional contributions to the Mandatory Provident Fund schemes, the contributions concerned may be deducted from the chargeable incomes for salaries tax, subject to a ceiling of \$20,000;
- (i) to increase the salaries tax deduction for expenses of self-education from \$60,000 to \$100,000; and
- (j) to introduce anti-inflation retail bonds solely for sale to Hong Kong permanent residents and persons aged 65 or above have priority in buying such bonds, and the total value of such bonds should be about \$30 billion, with the face values of bonds ranging from \$50,000 to \$100,000 and the maturity periods ranging from two years to five years; the Government should distribute annual inflation-linked interests to the purchasers of such bonds, while the principals of the bonds should be entrusted to the Hong Kong Monetary Authority for investment; and the Government should develop the second bond market to facilitate bond redemption by members of the public.