

**Motion Debate on
“Alleviating the financial burden of middle-class people”
Progress Report**

At the Legislative Council (LegCo) meeting on 2 November 2011, the motion on “Alleviating the financial burden of middle-class people” moved by Hon. LAU Kong-wah as amended by Hon. WONG Kwok-hing, Hon. CHAN Mo-po, Paul, Hon. HO Chun-yan, Albert, Hon. LEE Wing-tat, Hon. WONG Sing-chi, Hon. KAM Nai-wai and Hon. LEUNG Ka-lau was carried. The full text of the motion is at [Annex](#). This report informs Members of the follow-up actions taken by the Administration in respect of the motion.

Tax Measures

2. On 1 February 2012, the Financial Secretary proposed in his Budget delivered seven tax measures starting from the 2012-13 year of assessment to ease people’s tax burden. These include:

- (1) Raising the basic allowance and single parent allowance from \$108,000 to \$120,000; and increasing the married person’s allowance from \$216,000 to \$240,000. These proposals will benefit 1.38 million taxpayers, costing the Government \$2.2 billion a year;
- (2) Increasing the allowance for maintaining a dependent parent or grandparent aged 60 or above from \$36,000 to \$38,000. At the same time, the additional allowance for a taxpayer residing with his/her parent or grandparent continuously throughout the year will increase from the current \$36,000 to \$38,000. The allowance for maintaining a dependent parent or grandparent aged between 55 and 59 will increase from the current \$18,000 to \$19,000. The same increase applies to the additional allowance for taxpayers residing with these parents or grandparents continuously throughout the year. For taxpayers whose parents or grandparents are admitted to residential care homes, the deduction ceiling for elderly residential care expenses will be raised from the current \$72,000 to \$76,000. This measure will benefit 460 000 taxpayers, costing the Government \$220 million a year;
- (3) Raising the child allowance from the current \$60,000 to \$63,000 for each child; and increasing the additional one-off child allowance in the year of birth from \$60,000 to \$63,000 for each child. This measure will benefit 280 000 taxpayers, costing the Government \$170 million a year;

- (4) Raising the dependent brother/sister allowance from the current \$30,000 to \$33,000. This measure will benefit 25 000 taxpayers and cost the Government \$10 million a year;
- (5) Raising the disabled dependant allowance from the current \$60,000 to \$66,000. This measure will benefit 30 000 taxpayers and cost the Government \$20 million a year;
- (6) Extending the entitlement period for the tax deduction for home loan interest from 10 years of assessment to 15 while maintaining the current deduction ceiling of \$100,000 a year. This proposal will cost the Government \$540 million a year in the coming five years of assessment; and
- (7) Increasing the maximum annual tax deduction for mandatory contributions to Mandatory Provident Fund schemes from \$12,000 to \$15,000. This proposal will cost the Government \$360 million a year. This proposal will cost the Government \$360 million a year. This is a consequential amendment in light of the increase of the maximum relevant income level under the Mandatory Provident Fund Schemes Ordinance to \$25,000, which will take effect from June 2012.

3. In considering the adjustment of the allowances and the need to introduce new deductions or change the tax rates, the Government must carefully examine the impact of these proposals on public finance. The tax measures proposed in the Budget seek to strike a balance between reducing tax burden of taxpayers and maintaining a prudent fiscal position.

4. The Government notes that some Members have proposed additional allowances for different kinds of expenses. Nevertheless, the various types of personal allowances to taxpayers, including basic allowance, married person's allowance, dependent parent/grandparent allowance and child allowance provided under the current salaries tax regime are already quite comprehensive. These allowances are adequate in taking care of taxpayers' basic needs and additional financial burden arising from family responsibilities. The introduction of deductible items for various expenses of a private nature will overlap with the existing allowances and make our tax system less flexible, because individual taxpayers without the need to pay such specific expenses will not benefit from these deductions.

One-off Relief Measures

5. To help ease the pressure of the economic downturn on our community, the Financial Secretary also proposed in his Budget a series of one-off relief measures, among which include:

- (1) Waiving rates for 2012-13, subject to a ceiling of \$2,500 per quarter for each rateable property. It is estimated that almost 90% of properties, or 2.7 million properties, will be subject to no rates in the year;
- (2) Reducing salaries tax and tax under personal assessment for 2011-12 by 75%, subject to a ceiling of \$12,000. The reduction will benefit the 1.5 million taxpayers in the territory;
- (3) Granting each residential electricity account a subsidy of \$1,800. This will benefit about 2.5 million households in the territory;
- (4) Providing an extra allowance to Comprehensive Social Security Assistance (CSSA) recipients, equal to one month of the standard rate CSSA payments; and an extra allowance to Old Age Allowance and Disability Allowance recipients, equal to one month of the allowances;
- (5) Paying two months' rent for public housing tenants. The Government will pay two months' base rent for tenants who are required to pay extra rent to the Hong Kong Housing Authority. For non-elderly tenants of the Hong Kong Housing Society's Group B estates, the Government will pay two-thirds of their rent for two months;
- (6) The Government extended and improved short-term food assistance services through the additional funding of \$100 million made at the end of last year. Enhancements include providing a wider variety of foods along with fresh foods. The Government will allocate another \$100 million to the services when necessary; and
- (7) Giving all student loan borrowers who complete their studies in 2012 the option to start repaying their student loans one year after completion of studies. This will alleviate the financial burden of fresh graduates and allow them more time to secure a stable job.

The middle class will also benefit from some of the above measures.

Housing

6. To tackle the problem of housing at source, the Government has made efforts to ensure the supply of housing land. We have set a working target of making land available for some 20 000 private residential flats each year on average in the next decade. In addition, the Government has introduced measures to curb property speculation, ensure transparency in the property market and prevent excessive expansion in mortgage lending so as to maintain a healthy and stable development of the property market. We believe that these long, medium and short-term measures will help stabilise the property market (including the rental market).

7. The Chief Executive announced in last year's Policy Address a new policy for the resumption of the Home Ownership Scheme. The new scheme will offer flats with a saleable floor area of about 400 to 500 square feet to families with a monthly household income under \$30,000, mainly first-time home buyers. In addition to this new policy, the Government, in collaboration with the Hong Kong Housing Society, will continue to implement the My Home Purchase Plan to provide "no frills" small and medium-sized rental flats for families with a relatively higher monthly income of up to about \$40,000 so that they will have time to save up for purchasing property in future.

Education

8. On kindergarten education, the Government launched the Pre-primary Education Voucher Scheme (PEVS) in the 2007/08 academic year to provide direct fee subsidy for parents with children attending kindergarten to ease their financial burden. At present, the amount of fee subsidy under the PEVS is \$16,000 per student per annum, covering over 80% of the average tuition fee of a half-day kindergarten. Families with financial difficulties may also apply for fee remission. Through the PEVS and fee remission, the Government ensures that no children is deprived of kindergarten education due to lack of financial means and parents are offered a wide choice of kindergartens.

9. The Government has been listening carefully to the views of the public on the implementation of 15-year free education. We understand that the public generally agree that parents should be offered a wide choice of kindergartens and it is important to facilitate flexible and quality development of kindergarten education. The PEVS, which provides direct subsidies for parents, is designed to maintain the flexibility and diversity of Hong Kong's pre-primary education system and offer a wide choice of kindergartens to parents. In response to the calls for free pre-primary education, the Government must first make the goals clear, and strive to sustain the development of the environment and conditions conducive to quality pre-primary education. This involves not only resource or technical considerations but also the underlying policy principles. The Government will maintain dialogue with stakeholders and seek the views of different sectors.

10. On student loans, the Government already relaxed the income ceiling for full level of assistance under the means test mechanism in the 2011/12 academic year. As a result, the proportion of the students who are eligible for full grant has increased from around 30% to around 60%. The Government has also proposed measures to improve the loan schemes from the 2012/13 academic year to ease the repayment burden of student loan borrowers. Such measures include:

- (1) Considering lowering the interest rate and relaxing the standard repayment period for means-tested loans;
- (2) Reducing the risk-adjusted-factor rate of non-means-tested loan schemes to zero (for three years) and extending the repayment period from 10 years to 15 years; and
- (3) Giving all student loan borrowers who complete their studies in 2012 the option to start repaying their student loans one year after completion of studies.

11. In June 2011, the Education Bureau (EDB) set up the Task Force to Review Learning and Teaching Materials (Task Force), which comprised different stakeholders, to examine and review various issues arising from the policy of debundling textbooks and teaching/learning materials for pricing. The Secretary for Education accepted the report submitted by the Task Force in December 2011. One of the recommendations of the Task Force is to introduce competition in developing the e-textbook market so as to provide users with greater choice of effective learning and teaching resources. EDB is formulating the related mechanism and measures to promote the development of e-textbooks. The detailed arrangements will be announced by mid-2012.

12. The Task Force also recommends a number of other measures. One of them is to improve the textbook review system by including new criteria so as to keep abreast of the latest developments. These criteria include comprehensive textbook content, suitability for independent use, textbook arrangements, and designs conducive for textbook recycling. In order to lessen publishers' risk and lower the entry barrier to the textbook market, the Task Force suggests that publishers should be allowed to submit textbooks for a Key Stage in batches on a trial basis for subjects deemed appropriate. The Task Force also recommends the use of a "double-blind" system in conducting textbook reviews to enhance the objectivity and impartiality of the exercise. In addition to improving the textbook review system, the Task Force recommends enhancing transparency of information in the Recommended Textbook List so that commentaries on textbooks, information on comparisons and changes of textbook prices can be included. EDB will implement these measures as soon as possible.

13. Furthermore, EDB will continue to urge textbook publishers to debundle the most needed teaching materials for pricing with a view to creating space for lowering textbook prices and alleviating parents' financial burden.

14. The objective of the Continuing Education Fund (CEF) is to encourage our workforce to pursue continuing education so as to better equip themselves in an increasingly globalised and knowledge-based economy. Since its establishment in 2002, the amount of subsidy released by CEF to applicants has reached \$3.1 billion. Hong Kong residents who are eligible under CEF may seek reimbursement of 80% of the tuition fees of any CEF registered course upon successful completion of the course, up to a ceiling of \$10,000 per applicant.

15. At present, more than 7 500 courses are registered under CEF, involving more than 300 course providers. This provides a wide range of choices for the public. According to the Office of the Continuing Education Fund (OCEF), currently the majority (about 70%) of the tuition fees of CEF registered courses are at \$10,000 or below. The current level of subsidy and the ceiling on the amount of subsidy receivable by each applicant under CEF are considered appropriate. Eligible learners with financial needs may apply for loans under the Non-means-tested Loan Scheme administered by the Student Financial Assistance Agency to cover the course fees.

16. The Government has been closely monitoring the operation of CEF course providers through OCEF and the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ). Apart from authenticating the attendance records, assessment results and the claims for reimbursement of the learners, OCEF and HKCAAVQ also conduct surprise visits to CEF course providers to ensure that the conditions of approval under CEF are complied with. In 2011-12 (up to 31 January 2012), OCEF and HKCAAVQ conducted more than 200 inspections on CEF course providers. OCEF and HKCAAVQ will continue to strengthen their risk-based monitoring mechanism and inspections on CEF course providers. Should any non-compliance of CEF terms and conditions be detected, the Government will issue a warning against the course provider concerned. Where the non-compliance is serious in nature or recurring, the Government will consider de-registering the relevant courses from the list of CEF courses with a view to protecting learners' interest. Furthermore, if there is suspected involvement of criminal acts, such as fraud, bribery, etc., the Government will promptly refer the case to the relevant law enforcement agencies for follow-up.

Health Care

17. The objective of the Samaritan Fund (SMF) is to provide financial assistance to needy patients who meet the specified clinical criteria and passed the means test. The assistance so provided will be used to meet expenses on self-financed drugs or privately purchased medical items which are required in the course of medical treatment but not covered by the standard fees and charges in public hospitals and clinics. The SMF has been expanding its funding scope over the past seven years. Since 2007, a total of 15 drugs have been introduced into the scope of the SMF in phases for treatment of oncology, rheumatology, neurology, gastroenterology and haematology diseases. The drug subsidies granted increased substantially from \$17.3 million in 2004-05 to \$150 million in 2010-11.

18. To ensure adequate provision for the SMF's operation in the next ten years or so to benefit more people in need, the 2012-13 Budget proposed to inject an additional \$10 billion into the SMF. Moreover, the Budget proposed to provide specified allowances according to the number of family members when calculating the total value of disposable assets of an applicant in the means test and simplify the tiers of patients' contribution ratio for drug expenses. With these new measures, more patients (including the middle class) will benefit from the subsidy and existing recipients will also have their burden of drug expenses further eased.

Transport

19. The Government has all along been encouraging public transport operators, including the MTR Corporation Limited (MTRCL) and franchised bus companies, to provide various fare concession schemes as far as possible, taking into account their respective operating and financial conditions, market conditions and passenger needs, so as to alleviate the burden of travelling expenses on the public. The details of such schemes are, however, commercial decisions of individual operators.

20. At present, the MTRCL offers monthly pass concessionary schemes, namely the Sheung Shui-East Tsim Sha Tsui Monthly Pass, Tuen Mun-Nam Cheong Monthly Pass and Tuen Mun-Hung Hom Monthly Pass. It also provides other fare concessions, including half-fare concessions to senior citizens aged 65 and over, and \$2 concessionary elderly fare on Wednesdays, Saturdays and non-Sunday public holidays; around half-fare concessions to children and full-time students aged between 12 and 25; around half-fare concessions to persons aged between 12 and 64 who are recipients of Comprehensive Social Security Assistance with 100% disability and Disability Allowance; and interchange discounts jointly offered with operators of green minibuses and franchised buses. With their extensive coverage, these fare concession schemes benefit different passenger groups.

21. Besides, franchised bus companies are offering various fare concessions to passengers. Such concessions include section fares, bus-bus interchange concessions, half-fare concessions for children and half-fare concessions for the elderly. At present, section fares are applicable to about 460 medium and long distance routes (accounting for about 80% of all bus routes), benefiting some 800 000 passengers per day. The bus companies have also implemented about 240 bus-bus interchange concession schemes for some 400 bus routes. The average daily passenger trips approximate 120 000.

22. We understand the public's concerns over the impact of increasing travelling expenses, especially for those living in remote areas. The Government will urge the MTRCL to consider extending the monthly pass concessionary schemes to cover other railway lines, apart from the East and West Rail Lines. However, if the monthly pass concessionary schemes are to be extended to all MTRCL lines, including short-haul journeys in urban areas, the public transport fare structure as a whole may be distorted. The impact will eventually be reflected in the basic fares and borne by passengers not using monthly passes.

23. Regarding the proposal to use the dividends received by the Government from the MTRCL to lower MTR fares, pursuant to section 3 of the Public Finance Ordinance (Cap. 2), the dividends that the Government receives from the MTRCL form part of the general revenue. The Government will adopt a holistic approach and conduct policy planning in determining the use of resources, and compile the annual Estimates accordingly for submission to LegCo. Where necessary, individual policy bureaux may also seek funding approval from the Finance Committee of LegCo on expenditure items under their purview for implementing the policies concerned. In other words, the Government will deploy resources appropriately according to the established procedures to support different policies and priorities for the benefits of the public. This ensures the proper use of public money to serve the interest of the community in general.

24. Regarding the proposal to set up a "public transport fare stabilisation fund", the Government must ensure the proper use of public money, treat different public transport operators indiscriminately, and avoid providing wrong incentives that inhibit the operators' efforts in cost saving and efficiency enhancement. If taxpayers are to bear in full or in part the increase in expenditure of public transport services, it will invite unnecessary fare increase applications and the Government will be perceived as offering direct subsidy and transferring benefits to the public transport operators. This is in contradiction to established policy and the long-standing principles of public finance management.

25. Some Members proposed that the Government should buy back the back the Eastern Harbour Crossing (EHC) and the Western Harbour Crossing so as to lower the toll levels for the purpose of improving the traffic distribution among the three road harbour crossings (RHCs). The Government completed a 3-month public consultation on the findings and recommendations of a consultancy study to improve the traffic distribution among the three RHCs last year. The Government maintains an open mind on any proposal which may improve the traffic distribution among the RHCs without imposing any undue burden on public finance or government expenditure. The Government is carefully and thoroughly considering the views received and assessing possible measures and will report the assessment results to LegCo as soon as possible.

26. Buy-back of the RHCs is one of the options examined by the consultant. However, we need to bear in mind that buy-back should not be explored with the sole objective of reducing the tolls of individual RHCs. The Government has to consider whether such option is able to improve traffic distribution among the three RHCs, and whether it is cost-effective and in the public interest. The consultant concluded that the buy-back option involves deliberation of certain highly contentious issues such as valuation of the assets of the franchisees and expected returns. It would be extremely difficult to reach a consensus with the tunnel companies. Furthermore, the franchise of the EHC will expire in August 2016. Consequently, the feasibility and the actual benefits gained in buying back EHC before the transfer of its ownership are low.

27. Retail prices of fuel products (including unleaded petrol) in Hong Kong are determined by companies having regard to commercial practices and their operating costs. In a market economy, the prices of fuel products are determined by the market. Nevertheless, the Government is aware of the impact of auto-fuel (including unleaded petrol) prices on the public. We have been monitoring movements in local retail prices of auto-fuel to see if they are in line with the trend movements of international oil prices (benchmarked against the average of the Mean of Platts Singapore). The Environment Bureau has also been in close contact with the oil companies and has constantly urged them to promptly lower their retail prices when there is room for adjustment so as to lessen the burden on the public.

Conclusion

28. The Government will critically assess the situation and, after taking into consideration the prevailing circumstances and its overall fiscal conditions, introduce long, medium and short-term measures as and when required to meet the needs of the community.

Financial Services and the Treasury Bureau
March 2012

(Translation)

**Motion on
“Alleviating the financial burden of middle-class people”
moved by Hon LAU Kong-wah
at the Council meeting of 2 November 2011**

**Motion as amended by Hon WONG Kwok-hing, Hon Paul CHAN,
Hon Albert HO, Hon LEE Wing-tat, Hon WONG Sing-chi,
Hon KAM Nai-wai and Dr Hon LEUNG Ka-lau**

That middle-class people are the pillar of Hong Kong society, but their being in an unreasonable situation where they are not given any strong support despite their heavy livelihood burden over the years is often disregarded by the Government; as uncertainties persist in external markets, Hong Kong faces the risk of economic downturn at any time and, coupled with worsening inflation, middle-class families are under heavy financial pressure; in this connection, this Council urges the Administration to put forward effective measures in the Budget for the new financial year, so as to relieve their financial burden, including:

Salaries tax -

- (a) increasing the personal allowance, child allowance, dependant brother or dependant sister allowance, dependant parent or dependant grandparent allowance and disabled dependant allowance under salaries tax according to inflation rates and overall economic conditions;
- (b) permitting children to share the dependant parent or dependant grandparent allowance;
- (c) reducing salaries tax and personal assessment by up to 100% of the final tax, subject to a ceiling of \$10,000 per case;
- (d) introducing tax deduction for voluntary Mandatory Provident Fund contributions with a ceiling of \$24,000;
- (e) raising the tax allowance for new-born infants to \$100,000, and increasing the child allowance by 50% for the second child of a family or any child born to it thereafter in the first six years after birth;

Housing -

- (f) introducing a residential rates deduction of \$8,000 for each household modelled on the operation mode of the electricity charge subsidy;
- (g) extending the entitlement period for deduction for home loan interest from 10 years to 15 years;
- (h) providing each residential electricity account with an electricity charge subsidy of \$3,600;
- (i) offering a tax allowance of \$100,000 per household per year to households with no property for renting private residential units;

Education -

- (j) introducing tax deduction for children education with a ceiling of \$10,000;
- (k) lowering the annual interest rate for loans under the Non-means Tested Loan Scheme for tertiary students to 2.5% and replacing the means-tested loans with interest-free loans;
- (l) fully subsidizing pre-primary education, raising the subsidy amount under the Pre-primary Education Voucher Scheme to \$20,000 subject to the requirement that a specific portion of the subsidy must be used for subsidizing relevant schooling costs such as school uniforms, school bags and learning materials, etc., and directly subsidizing the remuneration of kindergarten teachers;
- (m) increasing the salaries tax deduction for expenses of self-education from \$60,000 to \$100,000 and raising the subsidy under the Continuing Education Fund by 100% to \$20,000 per person;
- (n) expeditiously implementing 15-year free education and setting an implementation timetable;

Healthcare -

- (o) introducing tax deduction for private medical insurance contributions with a ceiling of \$12,000;
- (p) increasing the categories of drugs supported by the Samaritan Fund, relaxing the eligibility requirements and lowering the proportion of drugs costs to be shared by patients;

- (q) introducing tax deduction for payment of medical charges relating to parents and grandparents aged 65 or above;
- (r) offering tax deduction to patients who need to purchase expensive drugs for treatment, so as to alleviate the financial burden imposed on them and their families by medical treatment;

Transportation -

- (s) using the dividends received by the Government from the MTR Corporation Limited ('MTRCL') to lower MTR fares as a form of passenger reward;
- (t) urging MTRCL to introduce monthly ticket schemes for all the lines of its system;
- (u) expeditiously resolving the problem of uneven traffic flows of the three harbour crossings, including reducing the tolls of the Eastern Harbour Crossing and Western Harbour Crossing by way of buying back, so as to alleviate the burden of cross-harbour expenses on drivers and members of the public;
- (v) reducing the unleaded petrol duty by 50%, ensuring that oil companies fully reflect the tax concession in pump prices, and closely monitor pump price changes to avoid the occurrence of oil companies being 'swift in increasing but slow in decreasing prices' and 'making big price increases but small price cuts'; and

Social welfare -

- (w) introducing tax deduction for community care for the elderly, so that children with dependent parents or grandparents can enjoy tax deduction after paying for home care, domestic helpers, day care, respite service and residential care services, etc., for their elderly family members, so as to encourage children to take greater care of the elderly;

this Council also urges the Administration to put forward the following measures:

- (x) widening each tax band for salaries tax by \$10,000 and reducing the marginal rate for each tax band by one percentage point to two percentage points;

- (y) allowing a married couple to make separate election for personal assessment, instead of requiring them to make a joint election; and
- (z) abolishing the residence requirement of at least 180 days imposed on parents, permitting Hong Kong people supporting retired dependant parents living on the Mainland to enjoy dependant parent allowance;

this Council also urges the Administration to put forward the following measures:

- (aa) relaxing the means tests under the various student finance schemes, deducting necessary expenses relating to housing and healthcare, etc. in the computation of Adjusted Family Income to reflect the realities in family expenditure, and lowering the application threshold, so as to benefit more families from the middle and lower strata;
- (ab) abolishing the charging of interests during students' studies and the 1.5% risk rate for loans under the Non-means Tested Loan Scheme for tertiary students, so as to relieve graduates' financial burden;
- (ac) providing weighted subsidies for whole-day nursery classes, so as to enable dual-income families to receive reasonable support;
- (ad) strictly monitoring the reimbursable courses under the Continuing Education Fund to ensure teaching quality; and
- (ae) making actual efforts to debundle textbooks from teaching and learning materials for pricing so as to stabilize textbook prices, and including the principle of 'promoting textbook recycling' in the Guidelines for Printing of Textbooks, so as to encourage the reuse of second-hand textbooks and relieve parents' financial burden of buying textbooks in each new academic year;

this Council also urges the Administration to put forward the following measure:

- (af) adjusting the stamp duty regime, so that property transactions each worth \$2.5 million or less only needs to pay a fixed stamp duty of \$100;

this Council also urges the Administration to put forward the following measures:

- (ag) regarding the dividends received by the Government from the MTR Corporation Limited ('MTRCL'), or the profits received by public transport operators from their non-transport business (such as the annual

property proceeds of MTRCL), studying the allocation of a certain percentage of such dividends or profits to establish a fare stabilization fund;

- (ah) urging MTRCL to introduce weekly and daily ticket schemes for all the lines of its system and provide long-haul passengers with 'same day return half-fare concessions';
- (ai) reviewing the fare adjustment mechanism for MTRCL (i.e. the fare adjustment mechanism that allows fares to go upwards and downwards), and studying the inclusion of significant factors such as public acceptance and affordability, MTRCL's incident occurrence figures and its profit levels, etc. in the formula for determining fare adjustment rates, so as to fully reflect the realities of people's livelihood and MTRCL's service quality in MTR fares; and
- (aj) requesting bus companies to provide full-scale interchange fare concessions and services, implement sectional fares and introduce more fare concessions for persons with disabilities;

this Council also urges the Administration to put forward the following measures:

- (ak) offering tax allowance to people who purchase energy efficient products with Grade 1 energy label, subject to a ceiling of \$5,000; and
- (al) offering an additional electricity charge subsidy of \$1,200 to an account whose electricity consumption in a half-year period is 5% or more lower than its consumption in the corresponding period of the previous year, so as to encourage people to reduce electricity consumption; and

this Council also urges the Administration to put forward the following measure: introducing tax deduction for households whose total medical expenditure exceeds a minimum of \$2,000 per year.