

(Translation)

**Motion on
“Assisting the middle class”
moved by Dr Hon Elizabeth QUAT
at the Council meeting of 23 January 2013**

Motion as amended by Hon SIN Chung-kai and Hon Charles Peter MOK

That, as the middle-class people in Hong Kong have all along ‘paid large amounts of tax but enjoyed few welfare benefits’, which, coupled with rampant inflation, persistently high property prices and uncertain economic prospects in recent years, results in their facing heavy pressure in their career and livelihood, this Council urges the Government to put forward proactive measures focusing on areas such as taxation, housing, healthcare, transport, family-friendliness, education and further studies, as well as personal career development, so that public policies can better cater for the interests and aspirations of the middle-class people; the relevant measures should include:

- (1) to increase the Child Allowance from the existing \$63,000 per child to \$100,000, and raise the basic allowance under Salaries Tax and Personal Assessment;
- (2) to introduce ‘tax deduction for residential rentals’ for a duration of 15 years of assessment, subject to a deduction ceiling of \$100,000 per year;
- (3) to abolish the levy on employers of foreign domestic helpers;
- (4) to provide adequate supply of land and increase the subsidized housing production, so as to maintain the annual supply of public and private residential housing at no less than 50 000 units;
- (5) having regard to the burden arising from population ageing and medical inflation, to allocate additional resources to improve public healthcare services, and provide tax concessions to people taking out medical insurance, so as to alleviate middle-class people’s burden of healthcare expenses;
- (6) to introduce daily, weekly and monthly tickets applicable to all MTR rail lines;

- (7) to formulate family-friendly policies, enact legislation on paid paternity leave for employees, and increase child care and elderly care services, so as to assist family carers;
- (8) to immediately implement 15-year free education covering kindergartens, primary schools and secondary schools; and
- (9) to offer \$40,000 'tax deduction for children's tertiary education' to the parents of students enrolled in local and non-local full-time post-secondary programmes;
- (10) to increase university places to provide middle-class students with more opportunities for further studies;
- (11) to review the cap on the amount of reimbursable course fees and the number of reimbursement claims under the Continuing Education Fund ('CEF'), and the criteria for approving reimbursable courses under CEF;
- (12) to perfect the Non-means Tested Loan Scheme, including commencing the computation of loan interests after borrowers' graduation and lowering the loan interests; and
- (13) to inject capital to re-activate the Small and Medium Enterprises Training Fund, so as to enable more middle-class people in employment to have training opportunities.