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Replies to initial written questions raised by Legislative Council Members in examining the Estimates of Expenditure 2022-23

Director of Bureau : Secretary for Financial Services and the Treasury

Session No. : 5

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CONTROLLING OFFICER'S REPLY

FSTB(Tsy)001

(Question Serial No. 0555)

Head: (25) Architectural Services Department

Subhead (No. & title): ()

Programme: (2) Facilities Upkeep

Controlling Officer: Director of Architectural Services (Ms Winnie HO)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The revised estimate of financial provision for the Architectural Services Department (ArchSD) under Programmes (1), (2) and (3) for 2021-22 is \$2.56 billion, and the estimate of provision for 2022-23 is \$2.55 billion. In this connection, please advise on the following:

The ArchSD is responsible for the maintenance and upkeep of facilities. Please list the number and value of maintenance projects by costs of less than \$10 million, \$10 million to less than \$30 million, and \$30 million or above in the past 3 years (including 2021-22).

Asked by: Hon TSE Wai-chuen, Tony (LegCo internal reference no.: 29)

Reply:

The expenditure on facilities maintenance and upkeep by the ArchSD under Head 25 is mainly for the daily maintenance and upkeep of government buildings and facilities. Such venues include government offices, sports centres, police stations, fire stations, quarters, markets and public toilets, cultural and recreational facilities, etc. The expenditure is funded by the provision for recurrent expenditure of the ArchSD.

The number of maintenance and upkeep works for government buildings of less than \$10 million funded by the provision for recurrent expenditure of the ArchSD under Head 25 and the respective expenditures in the past 3 financial years are set out below:

Maintenance and upkeep works		Financial year		
		2019-20	2020-21	2021-22 (as at end- February 2022)
Less than \$10 million	Number of works order issued	about 404 000 (among which about 380 000 works orders were for minor works)	about 430 000 (among which about 407 000 works orders were for minor works)	about 350 000 (among which about 330 000 works orders were for minor works)
	Actual expenditure (\$ million)	670	772	747

No maintenance and upkeep works under Head 25 has exceeded \$10 million in the past 3 financial years. In general, the maintenance and upkeep works of \$10 million or above are usually renovation or improvement works. Such works are funded by the Capital Works Reserve Fund Block Allocations, and their expenditures do not fall under Head 25 of the General Revenue Account.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)002

(Question Serial No. 0024)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Ms Louise HO)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The number of illicit cigarettes seized by the Customs and Excise Department (C&ED) keeps on rising every year. In the coming year, C&ED will strengthen enforcement actions against illicit cigarette activities, especially in respect of cross-boundary smuggling and telephone-order peddling. Regarding the implementation of a new ordinance on smoking ban which includes prohibiting the import of electronic cigarettes and heated tobacco products, how will C&ED strengthen its efforts, such as whether additional resources and manpower will be deployed, in tracking down illicit cigarettes? What are the details?

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 7)

Reply:

The Customs and Excise Department (C&ED) will continue to adopt a holistic enforcement strategy in combating illicit cigarette activities, i.e. intercepting smuggling in the upper stream, smashing storehouses in the middle, and tackling selling activities in the lower end. In 2022-23, C&ED has an establishment of 61 officers dedicated to combating illicit cigarette activities. Furthermore, front-line Customs officers deployed at various entry and exit points are also involved in the interception of illicit cigarette activities. Since they are tasked with other clearance duties at the same time, it is difficult to separately quantify the number of officers involved.

With the Smoking (Public Health) (Amendment) Ordinance 2021 coming into force on 30 April 2022, C&ED will render full support to the Tobacco and Alcohol Control Office of the Department of Health in enforcing the prohibitions on the import of alternative smoking products, flexibly deploy existing resources, and step up inspections at various entry and exit points to prevent such products from entering Hong Kong.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)003

(Question Serial No. 0212)

Head: (51) Government Property Agency

Subhead (No. & title): ()

Programme: (1) Acquisition and Allocation, (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The work of the Government Property Agency (GPA) involves assessing and co-ordinating Government's needs for civil servant quarters, and advising bureaux and departments to optimise the utilisation of surplus properties with potential for commercialisation or alternative government uses. Regarding the management of non-departmental quarters (NDQs) and surplus government quarters, will the GPA inform this Committee:

1. of the reasons for the decreasing number of NDQ units in recent years; whether all of these NDQ units (or sites) have been sold since the decrease; of the number of the existing 310 NDQ units located in private developments;
2. of the numbers and total disposal values of the former NDQ units sold in the past 5 years; of the time taken, in general or on average, from non-occupation to completion of sale of a former NDQ unit;
3. of the latest situation of the 9 NDQ sites to be gradually sold as proposed in the 2015 Report of the Working Group on Long-term Fiscal Planning; whether the Government has drawn up its work plan and schedule for the sale of these sites; whether the Government will take the initiative to encourage some of the existing tenants to move for consolidation with a view to expediting the sale of some of these sites;
4. of the number of surplus quarter units currently held by other departments; and whether there are any disposal plan and timetable?

Asked by: Hon TSE Wai-chuen, Tony (LegCo internal reference no.:27)

Reply:

In consultation with the relevant bureaux and department, the reply of the Government Property Agency (GPA) is set out as follows:

1. & 2. Civil servants offered appointment before 1 October 1990 on local terms and receiving a substantive salary equivalent to Master Pay Scale Point 45 or above, and those offered appointment before the same date on overseas terms may apply for non-departmental quarters (NDQ). As the number of eligible civil servants has continued to decline due to gradual retirement, the Government has correspondingly reduced the number of NDQ required.

As at 28 February 2022, there were 336 NDQ units of which 91 units were located within private developments.

The Civil Service Bureau regularly assesses the demand and supply of NDQ. Any surplus NDQ units would be transferred to the GPA for assistance in handling. Normally, the GPA would put up the quarters units for sale where appropriate. If the quarters en bloc become surplus, the GPA would transfer the quarters site to the Lands Department (LandsD) for alternative development or disposal. The disposal priority is subject to a number of factors (see the reply in part 3 below). As an interim arrangement before the disposal of the quarters units or the site, the GPA would normally consider leasing out the properties at market rent in the open market for better use of public resources. Therefore, the vacancy period of the quarters units before disposal would generally be the time required for completion of the disposal process subject to a number of external factors. It may not be appropriate to simply work out the average time taken.

During the past 5 years up to 31 December 2021, the GPA sold a total of 19 ex-NDQ units under the above-mentioned mechanism, with overall sale proceeds at about HK\$800.72 million.

3. The Phase Two Report of the Working Group on Long-Term Fiscal Planning in 2015 pointed out that 9 NDQ sites were expected to gradually become surplus in the coming two decades upon the retirement of eligible civil servants who joined the Government before 1 October 1990. The Working Group recommended that the Government should continue with the established policy of disposing of NDQ sites and units by sale as and when they become available, and adopt a pragmatic approach to allow flexibility in the disposal mechanism and to avoid selling valuable government properties when the market sentiment is weak. The disposal priority should be guided by the status of the NDQ decanting programme, the potential revenue to be captured, the site utilisation to be enhanced through redevelopment, and the sentiment of the market. As an interim arrangement pending permanent disposal, the Government should continue leasing out surplus NDQ units. At present, 6 of the NDQ sites are still being used as NDQ. The Government is considering the appropriate options for the handling of the remaining 3 sites which have some vacant quarters units, including leasing out surplus quarters units therein as an interim arrangement and disposal by land sale when appropriate.

4. The GPA does not have the statistics on all surplus quarters which are currently under the purview of other departments. Under the existing mechanism, if the relevant bureaux/departments, after considering their operational needs, confirm that the quarters units under their allocation responsibility are no longer required for quarters use, they will regard those quarters units as surplus for conversion to other usage, or seek the GPA's assistance in identifying alternative users within the Government or putting the properties up for lease or sale in the market. If lands or planning issues are involved in the handling of surplus quarters, the relevant department may seek the GPA's assistance in consulting the Planning Department and the LandsD, etc.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)004

(Question Serial No. 0581)

Head: (76) Inland Revenue Department

Subhead (No. & title): ()

Programme: (1) Assessing Functions

Controlling Officer: Commissioner of Inland Revenue (TAM Tai Pang)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is mentioned in the Budget that the Government will implement the international tax reform proposals drawn up by the Organisation for Economic Co-operation and Development (OECD) to address base erosion and profit shifting (abbreviated as BEPS 2.0) and also the recommendations made by the OECD concerning the operation of Hong Kong's tax system. In this connection, will the Government inform this Committee of the following:

a. As stated in the establishment estimation, the establishment ceiling for 2022-23 is estimated to rise by three posts to 2 909 non-directorate posts as at 31 March 2023 from the estimated 2 906 posts as at 31 March 2022. Will the increase of posts, together with electronic procedures to be carried out by the Inland Revenue Department (IRD), be sufficient to handle the relevant work of the above implementation and also the introduction of the domestic minimum top-up tax which is estimated to involve about HK\$15 billion per year in the Budget?

b. The IRD has begun to handle tax collection through digital means such as wider use of information technology (IT), upgrading internal computer systems and streamlining procedures. What is the percentage of such expenditure out of the total expenditure? Do they help improve efficiency?

c. How to reduce the overall cost of collection from 0.54% in 2020-21 to 0.48% in earlier years (such as in 2017-18 or 2018-19) or even lower through the above-mentioned means or other ways?

Asked by: Hon LAM Chi-yuen, Nelson (LegCo internal reference no.: 4)

Reply:

- a. The Financial Secretary announced in the 2022-23 Budget that the Government plans to submit a legislative proposal to the LegCo in the second half of this year to implement the global minimum tax rate under BEPS 2.0 and other relevant requirements in accordance with the international consensus. At the same time, we will consider introducing a domestic minimum top-up tax with regard to the large multinational enterprise groups with global turnover of at least 750 million euros starting from the year of assessment 2024/25 to ensure that their effective tax rates reach the global minimum effective tax rate of 15% so as to safeguard Hong Kong's taxing rights.

The Inland Revenue Department (IRD) is actively taking forward the implementation of the international tax reform proposals under BEPS 2.0 in accordance with the above timetable. The IRD will create 13 non-directorate posts (including 4 Senior Assessors, 5 Assessors, 3 Assistant Assessors and 1 Taxation Officer) in 2022-23 to cope with the additional and heavy workload in respect of the enhancement of computer system and assessment work arising from the implementation of BEPS 2.0 from 2023. The creation of 13 non-directorate posts is partly offset by deletion of 10 non-directorate posts (i.e. 10 typists). That is, there will be a net increase of 3 non-directorate posts.

- b. & c.

Cost of collection means total expenditure divided by total revenue collected. Total revenue collected includes profits tax, salaries tax, property tax, stamp duty, etc. Total expenditure includes staff emoluments, administrative and operational expenses (including the rental and maintenance of computer hardware and software), etc. Cost of collection fluctuates and is affected by different external factors such as economic condition, changes in establishment, salary increments and so forth. That said, the IRD has been striving to control the cost of collection within a reasonable range, including continuous upgrading of its computer system to improve work efficiency.

The actual expenditure of the Computer Division out of the total expenditure of the IRD is about 8.9% in 2020-21. Besides, the IRD is implementing large-scale system development by phases starting from 2020-21 to extend the application of Workflow Management System and set up three new tax portals, namely Business Tax Portal, Tax Services Portal and Individual Tax Portal to replace the existing eTAX System. Funding of \$742.463 million for implementation of the above projects was approved by the Finance Committee of the Legislative Council in July 2020.

The implementation of the above projects will bring about better user experience to raise the usage of e-services of the IRD, and improve its operational efficiency. It is expected that the IRD will achieve annual cost savings from 2029-30 onwards as follows:

- (i) Realisable savings of \$53.513 million

The staff cost savings will be \$31.915 million as 85 posts can be made redundant. The savings of maintenance cost for the existing systems and equipment, paper and printing, and transportation will be \$21.598 million.

(ii) Notional savings of \$3.711 million

These represent fragmented staff cost savings from productivity gain as a result of more efficient operations as well as reduced demand for IT support and maintenance from the new systems.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)005

(Question Serial No. 0267)

Head: (76) Inland Revenue Department

Subhead (No. & title): ()

Programme: (2) Collection

Controlling Officer: Commissioner of Inland Revenue (TAM Tai Pang)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

- A) Please advise on the number of applications for paying tax by instalments, the types of tax involved, the number of successful applications, the average number of days for vetting the applications, the average number of instalments, as well as the mean, the median, the 25th percentile and the 75th percentile values of repayment for the previous year.
- B) What information is required to apply for payment of tax by instalments? For those applications which were refused, please set out the grounds for refusal by type of tax.
- C) The Financial Secretary announced on 4 December 2019 that no surcharge would be imposed on the payment of tax by instalments. How many applications have been received for each type of tax so far? Please advise on the status of the vetting process.
- D) Members of the public and certain industries have raised concerns over the problems with the process of applying for payment of tax by instalments, such as the complicated procedures and the requirement of submission of a large number of documents. There is also a lengthy vetting process. Some taxpayers were even not issued with an approval letter before the due date and were asked by the Inland Revenue Department (IRD) to pay the tax first. The measure seems to do little to support enterprises and relieve people's burden. How will the IRD evaluate the effectiveness and efficiency of this instalment arrangement? For taxpayers who have submitted their applications but are unable to pay the tax by the due date, will the Government waive all late payment penalties (regardless of whether the applications are ultimately approved or not)?

Asked by: Hon LAM Kin-fung, Jeffrey (LegCo internal reference no.: 1)

Reply:

- (A) Taxpayers who encounter financial difficulties in settling their tax bills on time may apply to the Inland Revenue Department (IRD) for payment of tax by instalments. The approximate number of cases approved and amount of tax involved in the financial year 2020-21 are provided in the table below.

Type of Tax	Number of demand notes approved for payment by instalments	Amount of tax involved (\$ million)
Profits Tax	1 720	3,210
Salaries Tax	6 670	676
Property Tax	100	5
Personal Assessment	330	30

In respect of the applications received and approved, the IRD does not have the other statistics requested. The IRD will normally provide a reply to applicants within 21 working days upon receipt of their applications.

- (B), (C) and (D)

Taxpayers applying for tax payment by instalments must complete an application form stating the reasons for failing to pay tax on time and provide supporting information and documents, including a concrete payment proposal, copies of bank statements / passbooks for the latest three months, details of income and expenditure and debts repayment for the latest three months. For an applicant who is a business operator, further supporting documents such as management accounts for the latest three months and cash flow position and forecast may be required. The purpose of requesting documentary evidence from applicants is to ascertain the financial position of the applicant so that an appropriate instalment arrangement can be granted by the IRD.

In light of the economic condition and the possible financial difficulties encountered by some taxpayers, the IRD announced in December 2019, August 2020 and June 2021 respectively that for taxpayers in financial difficulties who obtained IRD's approval for settlement of demand notes by instalments for salaries tax, profits tax and personal assessment for the years of assessment from 2018/19 to 2020/21, and provided that the instalment plans are duly adhered to, no surcharge will be imposed for a maximum period of one year counting from the due dates of the demand notes concerned. Up to 28 February 2022, about 22 900 related instalment applications have been received and about 20 600 of them have been processed. The details are provided below.

Type of Tax	Number of demand notes with applications for payment by instalments received	Number of demand notes with applications for payment by instalments processed
Profits Tax	3 500	3 100
Salaries Tax	18 800	17 000
Personal Assessment	600	500

The IRD has on its website reminded taxpayers who apply for payment of tax by instalments to make application as early as possible before the due dates of the relevant demand notes. Pending the reply from the IRD, taxpayers can make payments in accordance with their payment proposals without paying the tax in full. If the application is subsequently not approved, the IRD will inform the taxpayers of the rejection in writing and will request the taxpayers to settle the tax on or before the due dates specified on the demand notes or within 14 days after the date of the rejection letters, during which the IRD will not impose the 5% surcharge.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)006

(Question Serial No. 0038)

Head: (76) Inland Revenue Department
Subhead (No. & title): ()
Programme: (1) Assessing Functions
Controlling Officer: Commissioner of Inland Revenue (TAM Tai Pang)
Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is proposed in the Budget Speech that a tax deduction for domestic rental expenses be introduced starting from the year of assessment 2022/23 so as to ease the burden of renting a private property on taxpayers liable to salaries tax and tax under personal assessment who are not owners of domestic properties, subject to a deduction ceiling of \$100,000 for a year of assessment. In this connection, would the Government inform this Committee of the estimated additional cost of implementing such proposal and whether additional posts need to be created to handle the work involved? If yes, what are the details? Also, how many taxpayers are estimated to be eligible applicants? How does the Government arrive at such estimate?

Asked by: Hon LAU Kwok-fan (LegCo internal reference no.: 1)

Reply:

Regarding the proposed tax deduction for domestic rental expenses, the Inland Revenue Department will handle the relevant deduction claims through its existing establishment. No additional manpower or expenditure is required.

It is estimated that about 430 000 taxpayers liable to salaries tax and tax charged under personal assessment can benefit from the proposed tax deduction of domestic rental expenses. The estimation is made on the basis that about 430 000 households in Hong Kong with monthly income of not less than \$10,000 (i.e. annual income not less than \$120,000) are renting private properties. The threshold of \$120,000 is taken for estimation because individuals with annual income less than the basic allowance of \$132,000 under salaries tax and personal assessment are not liable to tax.

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CONTROLLING OFFICER'S REPLY

FSTB(Tsy)007

(Question Serial No. 0041)

Head: (76) Inland Revenue Department

Subhead (No. & title): ()

Programme: (2) Collection

Controlling Officer: Commissioner of Inland Revenue (TAM Tai Pang)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please set out the respective numbers of stamping applications for agreements for sale and purchase of residential properties received by the Inland Revenue Department from 2017 to 2021 involving local buyers (who were holders of Hong Kong Identity Card), non-local individual buyers, buyers who were non-natural person, and transfers/sales between close relatives (the transactions of which were exempted from Special Stamp Duty, Buyer's Stamp Duty, and ad valorem stamp duty at Scale 1 rates).

Asked by: Hon LAU Kwok-fan (LegCo internal reference no.: 5)

Reply:

In the past five financial years, the statistics on the agreements for sale and purchase of residential properties which involve individual buyers holding Hong Kong Identity Card (HKIC), individual buyers not holding HKIC, non-natural person buyers and transfers or sales between close relatives are shown in the table below:

Financial Year	Individual buyers holding HKIC	Individual buyers not holding HKIC	Non-natural person buyers (Note 1)	Transfers or sales between close relatives		
				Types of exemption from stamp duty (Note 2)		
				Special Stamp Duty	Buyer's Stamp Duty	ad valorem stamp duty at Scale 1 rates
	Number of cases	Number of cases	Number of cases	Number of cases	Number of cases	Number of cases
2017-18	67 158	793	3 255	152	6	4 312
2018-19	59 683	586	2 194	10	1	4 739
2019-20	58 961	322	1 625	31	6	4 275
2020-21	72 909	110	808	7	-	4 093
2021-22 (as at 28 February 2022)	66 429	148	1 210	15	-	4 324

Note 1: Non-natural person buyers include local company and overseas company buyers.

Note 2: The number of cases is counted on the basis of the agreement for sale and purchase. One agreement can be exempted from more than one type of stamp duty.

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CONTROLLING OFFICER'S REPLY

FSTB(Tsy)008

(Question Serial No. 0027)

Head: (76) Inland Revenue Department

Subhead (No. & title): ()

Programme: (3) Investigation and Field Audit

Controlling Officer: Commissioner of Inland Revenue (TAM Tai Pang)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In this year, the Inland Revenue Department indicated that it would continue to exert determined efforts in combatting tax evasion and countering tax avoidance schemes. Have the impacts on Hong Kong's economy caused by the epidemic and external environmental factors given rise to any issues related to tax evasion and tax avoidance? There are hundreds of thousands of cases in average per year just for property tax compliance check alone, will the Government need to deploy more resources including equipment and manpower, so as to conduct investigation in a more effective manner? If yes, what are the details? If no, what are the reasons?

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 10)

Reply:

All along, the Inland Revenue Department (IRD) has been implementing various measures to combat tax evasion and prevent loss of tax revenue. Although the COVID-19 pandemic and external environment factors may have negative impact on the financial position of certain enterprises or individuals, according to the information available to the IRD, there is no indication that tax evasion or avoidance cases, whether as a whole or in relation to specific categories of enterprises or persons, are on the rise. The numbers of field audit and investigation cases completed, anticipated to be completed and the associated amount of back tax and penalty assessed by the IRD for the financial years 2020-21 to 2022-23 are tabulated below for reference:

	<u>2020-21</u> (Actual)	<u>2021-22</u> (Revised Estimate)	<u>2022-23</u> (Estimate)
Cases completed	1 801	1 800	1 800
Total back tax and penalty assessed	\$2.803 billion	\$2.9 billion	\$2.6 billion

For Property Tax Compliance Check (PTCC), it is mainly performed through application of a computer program, whereby rental income reported by landlords in tax returns is automatically matched against information contained in the tenancy agreements submitted for stamping with a view to selecting high risk cases for in-depth review. The number of cases requiring manual follow-up actions is relatively small. The IRD has devised appropriate procedures and manpower arrangement for handling PTCC cases to create a deterrent to tax evasion.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(Tsy)009****(Question Serial No. 0040)**Head: (162) Rating and Valuation DepartmentSubhead (No. & title): ()Programme: (1) Statutory Valuation and AssessmentsControlling Officer: Commissioner of Rating and Valuation (Kevin SIU)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please advise the number of subdivided units as provided by the Buildings Department and the number of Requisition for Particulars of Tenements (Form R1A) subsequently issued to owners of the properties by the Rating and Valuation Department in each of the past 5 years. How many of these requisition forms have yet to be returned? What are the relevant authority's follow-up actions?

Asked by: Hon LAU Kwok-fan (LegCo internal reference no.: 3)Reply:

The Buildings Department (BD) has started providing the Rating and Valuation Department (RVD) with addresses of properties with identified subdivided units since August 2016. After sorting the property list, removing duplicated cases and matching with RVD's records of tenements, the relevant figures in the past five financial years are tabulated below:

Financial Year	Number of matched tenements with subdivided units identified by BD
2017-18	1 514
2018-19	696
2019-20	1 235
2020-21	380
2021-22	485

Apart from the information provided by the BD, RVD's staff may also identify tenements with subdivided units in the course of their daily work. RVD would, having regard to the work priorities, issue Requisition for Particulars of Tenements (Requisition Forms) to payers of rates and/or Government rent of the relevant tenements for follow-up action and assessment of the rateable values of the tenements. RVD does not maintain the statistical breakdown on Requisition Forms separately for tenements matched with BD's records.

RVD would take follow-up actions including issuing reminders for non-return cases. Following the commencement of tenancy control on subdivided units since 22 January 2022, RVD would collate the information of tenancies collected under the regime and examine the situation of relevant Requisition Forms with a view to enhancing the existing procedures to facilitate the administration of tenancy control and assessment of rateable values of tenements.

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CONTROLLING OFFICER'S REPLY**FSTB(Tsy)010****(Question Serial No. 0054)**Head: (162) Rating and Valuation DepartmentSubhead (No. & title): ()Programme: (1) Statutory Valuation and AssessmentsControlling Officer: Commissioner of Rating and Valuation (Kevin SIU)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

In the Budget Speech, the Financial Secretary proposes that in future, only eligible owners, each being a natural person, can apply for rates concession for one domestic property held by him/her. Does it mean that under the proposal there will be no rates concession for the properties held by the Hong Kong Housing Authority (HA) in future? How much rates concession did the HA receive in each of the past five financial years?

Asked by: Hon LAU Kwok-fan (LegCo internal reference no.: 4)Reply:

According to the proposed future arrangement for rates concession for domestic properties under the review of rating system, the existing mechanism of rates concession (if available) will continue to apply to public rental housing, which means tenants/licensees of domestic properties under the Hong Kong Housing Authority (HA) will continue to be entitled to rates concession on a per unit basis. The estimated total amount of rates concession for rental housing units of the HA in the past five financial years are tabulated below:

Financial Year	Estimated Total Amount of Rates Concession (\$ million)
2017-2018	2,123
2018-2019	2,447
2019-2020	2,595
2020-2021	2,599
2021-2022	2,376

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CONTROLLING OFFICER'S REPLY

FSTB(Tsy)011

(Question Serial No. 0911)

Head: (162) Rating and Valuation Department

Subhead (No. & title): ()

Programme: (1) Statutory Valuation and Assessments

Controlling Officer: Commissioner of Rating and Valuation (Kevin SIU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the estimated provision for 2022-23 under Head 162:

The annual provision for Programme (1) is \$107.7 million (28.7%) higher than the revised estimate for 2021-22 with a net increase of 27 posts. On the creation of additional posts, please advise the reasons and set out in detail the ranks, duties and expenses of the posts involved.

Asked by: Hon TSE Wai-chuen, Tony (LegCo internal reference no.: 26)

Reply:

In 2022-23, there will be a net increase of 27 non-directorate posts (i.e. creation of 29 posts and deletion of 2 existing posts) under Programme (1) in the Rating and Valuation Department (RVD) to prepare for the implementation of the proposals arising from the review of rating system, which include providing rates concession in a more targeted manner and introducing a progressive rating system for domestic properties. Relevant information of the posts involved are tabulated below:

Posts	Duties	Expenditure (\$ million)
(i) 29 posts to be created, including: Senior Systems Manager 1 Systems Manager 1 Analyst/Programmers I 5 Analyst/Programmers II 5 Senior Valuation Surveyors 2 Valuation Surveyor 1 Senior Valuation Officers 6 Valuation Officer 1 Senior Accounting Officer 1 Accounting Officer I 1	<ul style="list-style-type: none"> • To develop new computer systems and programmes for processing and approving rates relief applications and to establish a web-based platform for eligible owners to submit application forms • To enhance existing computer systems for implementing the proposals on rates concession and progressive rating system 	19.49
Senior Valuation Surveyor 1 Valuation Surveyor 1 Principal Valuation Officer 1 Executive Officer I 1 Senior Clerical Officer 1	<ul style="list-style-type: none"> • To cope with the increased workload arising from the implementation of the proposals, for example, processing of rates relief applications and the relevant preparatory work (such as updating database and handling enquiries) 	3.47
(ii) 2 posts to be deleted: Office Assistants 2		-0.40

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)012

(Question Serial No. 0629)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the disbursement of \$10,000 under the Consumption Voucher Scheme (CVS), please advise this Committee of the following:

- a) What were the total expenditure, administrative expenditure and staff establishment involved for last year's CVS?
- b) What are the total expenditure, administrative expenditure and staff establishment expected to be involved for the new round of CVS?
- c) Will the Government consider linking the CVS to the Compulsory Universal Testing (CUT) Scheme, so that members of the public will only receive their consumption vouchers after completing the CUT, thereby facilitating the Government's anti-epidemic work? If yes, what is the relevant mechanism? If not, what are the reasons?
- d) For the implementation of the new round of CVS, will the Government strengthen communication with the business sector and follow the practices of other cities to increase the face value of consumption vouchers when using the vouchers in specific trades (such as tourism, catering, and retail), so as to help industries affected by the epidemic to revive the economy as soon as possible?

Asked by: Hon CHAN Wing-yan (LegCo internal reference no.: 10)

Reply:

- (a)&(b) According to the latest estimation, the total expenditure for implementing the Consumption Voucher Scheme (“CVS”) in 2021 is approximately \$31.75 billion, including the disbursement of consumption vouchers at a total value of about \$31.5 billion to about 6.3 million successful registrants and the administrative expense of about \$250 million. The implementation of the last round of CVS involved the creation/ retention of about 100 time-limited civil service and contract staff posts across different departments, including the posts in the CVS Secretariat which are filled by the incumbent staff of the Cash Payout Scheme (“CPS”) Secretariat. The two Secretariats are responsible for processing registrations, enquiries, complaints, reviews and appeals as well as providing assistance for those with special needs under the two schemes, and as a result, some of the staff cost has been saved. However, following the end of the registration period of the CPS on 31 December 2021, some of these staff will gradually leave the Secretariat and we need to replenish the vacancies in order to implement the new round of CVS. Drawing on the experience gained last year, we estimate that the total expenditure for implementing the new round of CVS will be approximately \$66.4 billion, including the disbursement of \$10,000 consumption voucher to each of the 6.6 million eligible people and the administrative expenses of about \$400 million. We will need to create/ retain about 110 time-limited civil service and contract staff posts in different departments to assist in the preparation and implementation of the scheme, enhance related computer systems and other ancillary facilities, pay service fees to assisting agencies (e.g. stored value facilities operators, agency providing enquiry hotline service and contractor conducting random checks on the “residing in Hong Kong” requirement etc.), and conduct publicity and promotional activities etc. We will use public funds carefully based on actual requirements and will reduce the administrative expenses as far as possible.
- (c) The Government has announced the suspension of the Compulsory Universal Testing (“CUT”) Scheme. Should there be any plan to implement CUT in future, the Government will definitely consider ways to ensure that members of the public will undergo the required testing as scheduled, so as not to affect the effectiveness of CUT. The arrangements to be adopted may not dovetail with the implementation timetable of the new round of CVS. In order to relieve the economic burden that the fifth wave of the epidemic has placed on people, we will first make use of the registration data collected through last year’s CVS to disburse \$5,000 consumption voucher to about 6.3 million eligible registrants on 7 April under Phase I of the new round of CVS (Note).

- (d) We are making preparation for the implementation of the new round of CVS (Phase II) in the middle of this year. We will ask participating operators to launch promotional activities targeted to assist businesses and merchants affected by the epidemic, so that these merchants will benefit more from CVS. Drawing on the experience gained last year, we hope that when the epidemic situation is stabilised, the disbursement of consumption vouchers with a validity period by instalments under the new round of CVS (Phase II), together with the launch of publicity and promotional activities by operators and merchants will boost consumption sentiment, inject impetus to the local consumption market (especially to businesses affected by the epidemic) and accelerate economic recovery.

Note:

People using AlipayHK, Tap & Go or WeChat Pay HK to receive consumption vouchers will receive a voucher of \$5,000 with an expiry date of 31 October on 7 April.

People using Octopus to receive consumption vouchers will receive the vouchers in two instalments. The first voucher of \$4,000 will be disbursed on 7 April and the second voucher will be disbursed on the 16th of the following month after the cumulative total “eligible spending” has reached \$4,000. The relevant cumulative total “eligible spending” has to be reached by 31 October the latest.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)013

(Question Serial No. 0353)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

At a time when all sectors and businesses have languished under the pandemic, another round of electronic consumption vouchers with a value of \$10,000 can boost the economy and stimulate local consumption. In this connection, please advise this Committee of the following:

1. What is the expenditure set aside by the Government for formulating the implementation details of the electronic consumption voucher scheme? What are the staff establishment and expenditure involved?
2. What were the economic benefits achieved from the \$5,000 electronic consumption vouchers last year? On this basis, what are the estimated benefits of this additional round of \$10,000 electronic consumption vouchers in boosting the economy?

Asked by: Hon CHEUNG Yu-yan, Tommy (LegCo internal reference no.: 1)

Reply:

1. The Government is pressing ahead with the preparation for the new round of Consumption Voucher Scheme (“CVS”). Drawing on the experience gained last year, we have set aside about \$400 million to meet administrative expenses for various purposes, including reinforcing the manpower in different departments (which will involve the creation/ retention of about 110 time-limited civil service and contract staff posts) to assist in the preparation and implementation of the scheme, enhancing related computer systems and other ancillary facilities, paying service fees to assisting agencies (e.g. stored value facilities operators, agency providing enquiry hotline service and contractor conducting random checks on the “residing in Hong Kong” requirement etc.), and conducting publicity and promotional activities etc. We will continue to use public funds carefully based on actual requirements and will reduce the administrative expenses as far as possible.
2. Before launching the CVS in 2021, the Government Economist had roughly estimated that the scheme would have a stimulus effect equivalent to 0.7% of the Gross Domestic Product (“GDP”) on the local economy. The statistics released by the Census and Statistics Department shows that, even with the low base effect gradually dissipating, the value of total retail sales still grew by 8.8% year-on-year between August and December last year (i.e. the first five months when the consumption vouchers were disbursed), which was higher than the average growth rate of 7.6% between January and July last year. The value of total restaurant receipts rose by 43.9% and 29.0% year-on-year in the third and fourth quarters of 2021 respectively against a low base of comparison, while private consumption expenditure in these two quarters also grew by 6.8% and 5.8% year-on-year respectively. This shows that the CVS has helped stimulate local consumer sentiment and has achieved the intended result.

In February this year, three scholars from the Department of Economics of The Chinese University of Hong Kong have completed a research report on the effectiveness of the 2021 CVS, pointing out that the scheme has boosted an additional overall consumption by approximately 80% to 110% of the amount disbursed, which is much higher than the consumption voucher schemes launched by other places in the past.

Based on the preliminary estimates made by the Government Economist, the new round of CVS will boost the local economy by creating a stimulus effect equivalent to about 1.2% of local GDP.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)014

(Question Serial No. 0243)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

With last year's experience, the Government will implement a new round of consumption voucher scheme, under which electronic consumption vouchers with a total value of \$10,000 will be disbursed by instalment to each eligible Hong Kong permanent resident and new arrival aged 18 or above. The scheme is expected to benefit about 6.6 million people. Please inform this Committee of the following:

1. What is the definition of new arrivals?
2. Why were non-permanent residents not included in schemes for disbursement of cash or electronic consumption vouchers over the years? What are the reasons? Should amendments be made to any laws or measures to enhance the arrangement?

Asked by: Hon CHOW Man-kong (LegCo internal reference no.: 10)

Reply:

1. Under the Consumption Voucher Scheme, a new arrival refers to the following two categories of Hong Kong resident:
 - (a) a person holding a valid Hong Kong Identity Card or Certificate of Exemption issued by the Commissioner of Registration under the Registration of Persons Regulations (Cap. 177A) who has come to Hong Kong on a Permit for Proceeding to Hong Kong and Macao (commonly known as "One-way Permit"); or

- (b) a person holding a valid Hong Kong Identity Card or Certificate of Exemption issued by the Commissioner of Registration under the Registration of Persons Regulations (Cap. 177A) who has valid permission to remain in Hong Kong as a dependant sponsored by a Hong Kong permanent resident holding a valid locally-issued Hong Kong Permanent Identity Card or Certificate of Exemption.
2. As resources are limited, the Government, in considering initiatives such as the Cash Payout Scheme or the Consumption Voucher Scheme which involve substantial public funds, has to be prudent and holistic. In devising the eligibility criteria, the Government must also take into account factors such as the policy objectives, number of persons involved and financial commitment, etc.

In 2020, the Government launched the Cash Payout Scheme, under which a sum of \$10,000 was disbursed to each eligible Hong Kong permanent resident aged 18 or above. At the same time, the Government also disbursed a sum of \$10,000 through the Community Care Fund to each new arrival aged 18 or above from low-income family and who has settled in Hong Kong for less than 7 years. In 2021, the Government launched the Consumption Voucher Scheme which benefited not only Hong Kong permanent residents, but also new arrivals meeting the eligibility criteria mentioned above. The same arrangement will remain in place for the new round of the Consumption Voucher Scheme announced in the Budget this year, under which electronic consumption vouchers with a total value of \$10,000 will be disbursed by instalment to each eligible Hong Kong permanent resident and new arrival aged 18 or above.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)015

(Question Serial No. 0705)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (the Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In paragraph 39 of the Budget, the Financial Secretary mentioned that a new round of consumption voucher scheme would be implemented. However, as the scheme has excluded non-permanent residents who live, pay tax and spend money in Hong Kong, including the talent and professionals attracted to Hong Kong through our current proactive promotional efforts, it is against the principle of fairness. Will the Government inform this Committee whether it will consider extending the consumption voucher scheme to cover persons who have paid tax for the previous year but are yet to become permanent residents? On the one hand, these people are also taxpayers contributing to the public finances and hence should reasonably be a beneficiary under the scheme. On the other hand, this move will be conducive to enhancing the sense of belonging towards the Hong Kong society among this group of people and the attraction of talent from overseas and the Mainland to Hong Kong.

Asked by: Hon HONG Wen, Wendy (LegCo internal reference no.: 1)

Reply:

It has been announced in the Budget the implementation of a new round of Consumption Voucher Scheme (CVS) under which electronic consumption vouchers with a total value of \$10,000 will be disbursed by instalment to each eligible Hong Kong permanent resident and new arrival aged 18 or above. In the CVS launched last year, a new arrival refers to the following two categories of Hong Kong resident:

(a) a person holding a valid Hong Kong Identity Card or Certificate of Exemption issued by the Commissioner of Registration under the Registration of Persons Regulations (Cap. 177A) who has come to Hong Kong on a Permit for Proceeding to Hong Kong and Macao (commonly known as "One-way Permit"); or

(b) a person holding a valid Hong Kong Identity Card or Certificate of Exemption issued by the Commissioner of Registration under the Registration of Persons Regulations (Cap. 177A) who has valid permission to remain in Hong Kong as a dependant sponsored by a Hong Kong permanent resident holding a valid locally-issued Hong Kong Permanent Identity Card or Certificate of Exemption.

Under the CVS, an eligible Hong Kong permanent resident will receive the consumption vouchers irrespective of whether he/she has paid tax in Hong Kong. As regards whether payment of tax should be a criterion for inclusion of non-permanent resident in the Scheme, given that it is a new suggestion, we need to study it thoroughly.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)016

(Question Serial No. 0160)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Following the Financial Secretary's announcement of the disbursement of electronic consumption vouchers, there have been voices in the community that, at present, providing cash payouts of \$10,000 is more effective than disbursing consumption vouchers in meeting the needs of the public. Currently, a large number of people are unemployed or suffering a substantial drop in their income. Besides, with the tightening of social distancing measures, the number of shopping venues has decreased. In this regard, could the Government provide cash payouts of an amount equivalent to the value of the consumption vouchers instead, or convert half of the value of the consumption vouchers into cash payouts? If yes, what are the details? If no, what are the reasons?

Asked by: Hon IP LAU Suk-ye, Regina (LegCo internal reference no.: 1)

Reply:

The new round of the Consumption Voucher Scheme (“CVS”) proposed by the Financial Secretary in the 2022-23 Budget will be implemented in two phases. First, in order to relieve the economic burden that the fifth wave of the epidemic has placed on people, we will first make use of the registration data collected through last year’s CVS to disburse \$5,000 consumption voucher to about 6.3 million eligible registrants on 7 April under Phase I of the new round of CVS (Note). Under the epidemic, people still have to meet different kinds of consumption expenditures. In view of the wide coverage of the consumption vouchers, which can be used at local retail, catering and service outlets or their online platforms, we believe that the disbursement of consumption vouchers can help many people even when social distancing measures are still in place. Moreover, with a validity period exceeding six months, the consumption vouchers to be disbursed under Phase I will provide people with adequate flexibility, allowing them to use the consumption vouchers according to their needs. If we were to provide cash payouts instead of disbursing consumption vouchers, we would need time to first update the data collected through the Cash Payout Scheme in 2020 as well as the relevant systems for disbursement. This would render it impossible to disburse the cash payouts in April or May.

Meanwhile, we are actively making preparation for Phase II of the new round of CVS. We will consider the actual implementation time of Phase II in the light of the development of the epidemic. With the experience gained last year, we hope that when the epidemic is stabilised, the disbursement of the consumption vouchers by instalments will stimulate local consumption, drive the overall economic recovery and promote the continuous development of local electronic payment market.

Note:

People using AlipayHK, Tap & Go or WeChat Pay HK to receive consumption vouchers will receive a voucher of \$5,000 with an expiry date of 31 October on 7 April.

People using Octopus to receive consumption vouchers will receive the vouchers in two instalments. The first voucher of \$4,000 will be disbursed on 7 April and the second voucher will be disbursed on the 16th of the following month after the cumulative total “eligible spending” has reached \$4,000. The relevant cumulative total “eligible spending” has to be reached by 31 October the latest.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)017

(Question Serial No. 0318)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

According to the Financial Secretary, there will be a surplus of \$18.9 billion for 2021-22, while fiscal reserves are estimated at \$946.7 billion by 31 March 2022 and \$1,064.6 billion by the end of March 2027, with the latter representing 28.9% of GDP, or equivalent to 16 months of government expenditure. However, many accountants and business experts pointed out that the Government's figures on the fiscal reserves were inaccurate as the Housing Authority's Housing Reserve (worth tens of billions of dollars that could be brought back to the fiscal reserves), the proceeds from government bond issuance, etc. had not been taken into consideration. In this regard, will the Government provide more accurate figures on the actual amount of its surplus/deficit with all other kinds of government investment income/expenditure taken into account?

Asked by: Hon IP LAU Suk-ye, Regina (LegCo internal reference no.: 10)

Reply:

The above question is not directly related to Head 147.

The consolidated surplus of \$18.9 billion in the 2021-22 Revised Estimate has already taken into account the investment income arising from the amounts brought back from the Housing Reserve (\$23.1 billion) and the cumulative investment return of the Future Fund (\$25 billion), as well as the proceeds from the issuance of green bonds (\$35.1 billion). Similarly, the forecast fiscal reserves of \$1,064.6 billion as at the end of March 2027 in the Medium Range Forecast have already taken into account the above factors. (Note: The Housing Reserve will be brought back in full in 2022-23 and fully reflected in the Government's accounts.)

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)018

(Question Serial No. 0762)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (the Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is mentioned in the Budget Speech that, based on last year's experience, electronic consumption vouchers with a total value of \$10,000 will be disbursed by instalment to each eligible Hong Kong permanent resident and new arrival aged 18 or above with a view to boosting the market sentiment, stimulating local consumption and speeding up economic recovery. In this connection, please inform this Committee of the following:

1. What are the administrative expenses and staff establishment involved in the new round of electronic consumption voucher issuance?
2. The issuance of consumption vouchers last year drew considerable criticism over its chaotic process, and many senior citizens and members of the public complained that they could not receive the consumption vouchers timely due to the lack of channels for making enquiries. Will the Government make reference to the experience last year and provide specific support to those seeking assistance by, for example, setting up relevant offices and enquiry hotlines and reserving sufficient manpower to respond to the public's requests for assistance?

Asked by: Hon KOON Ho-ming, Peter Douglas (LegCo internal reference no.: 1)

Reply:

1. The Government is pressing ahead with the preparation for the new round of Consumption Voucher Scheme (“CVS”), which will be implemented in two phases. Drawing on the experience gained last year, we have set aside about \$400 million to meet administrative expenses for various purposes, including reinforcing manpower in different departments (which will involve the creation/ retention of about 110 time-limited civil service and contract staff posts) to assist in the preparation and implementation of CVS, enhancing related computer systems and other ancillary facilities, paying service fees to assisting agencies (e.g. stored value facilities operators, agency providing enquiry hotline service and contractor conducting random checks on the “residing in Hong Kong” requirement etc.) and conducting publicity and promotional activities etc. We will continue to use public funds carefully based on actual requirements and will reduce the administrative expenses as far as possible.
2. In the course of working out the implementation details and arrangements of the 2021 CVS, the Government had strived to cater for the needs of different people. In terms of the registration process, we had endeavoured to strike a balance between security and simplicity. During the implementation of the scheme, some registrants had to resubmit their registrations due to incomplete or inaccurate information provided on their paper forms, resulting in a sudden influx of visitors at the Secretariat and hence a longer waiting time. We had responded immediately, including announcing the extension of the period for resubmission, substantially increasing the manpower of the Secretariat and making available additional service hours on Saturdays. With the implementation of these measures, visitors queuing for the Secretariat’s services had largely subsided. To further facilitate resubmission of registrations, we had also set up three additional service centres in other districts within a few days.

In light of the experience gained last year, when we launch the new round of CVS (Phase I), we hope that by making use of the information collected through the 2021 CVS as far as possible, most people can receive the \$5,000 voucher without the need to re-register. Besides, we have provided different channels for registrants to update their previously registered stored value facility (“SVF”) accounts if their SVF accounts have become invalid. Three temporary service centres have been set up for people who need assistance in completing the registration. We will continue to monitor the implementation of Phase I of the scheme and formulate the implementation details of Phase II in light of the experience gained with a view to providing better services to the public.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)019

(Question Serial No. 0787)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In his Budget, the Financial Secretary has proposed to revise the rating system. In this connection, would the Government inform this Committee of the following:

1. Since revisions to the rating system will involve significant modifications of the IT system of the Rating and Valuation Department, how much time will be needed to complete the modifications of the IT system and what will be the expenditure involved?
2. What standards/criteria will be adopted in developing the tiers for the progressive rating system proposed in the Budget Speech?
3. How many residential flats will be included in each tier?

Asked by: Hon KWOK Wai-keung (LegCo internal reference no.: 10)

Reply:

1. Implementation of the proposed rates concession mechanism and progressive rates regime for domestic properties would entail fundamental changes to the computer systems of the Rating and Valuation Department (RVD) in order to process rates relief applications and conduct data matching for verification of applicants' eligibility, as well as to revise accounting and billing and enhance rating assessment under the progressive rates regime. As such, the above proposals have to be implemented by phases. It is expected that the RVD could launch the new rates concession mechanism in March 2023 at the earliest by inviting applications from owners for electing a property to enjoy new rates concession. If a decision is made to offer rates concession for domestic properties in 2023-24, rates demands for the third quarter of 2023-24 (i.e. October to December 2023) will reflect the new rates concession mechanism. It is also expected that rates demands reflecting the new progressive rates regime will be issued in the fourth quarter of 2024-25.

Implementation of the two proposals will involve a one-off expenditure of about \$250 million and an annual recurrent expenditure of about \$16.2 million, mainly for increasing manpower for the preparation and implementation of the two new proposals, as well as taking forward a number of computer projects to develop new computer systems and enhance existing systems. It will take 33 months altogether to complete these computer projects. In 2022-23, there will be a net increase of 27 non-directorate civil service posts (i.e. creation of 29 new posts and deletion of 2 existing posts) in the RVD for the relevant work.

We expect that the implementation of the proposals will generate additional revenue for the Government. Assuming that one-off rates concession will remain at the 2022-23 level of being capped at \$5,000, the revenue forgone in providing one-off rates concession for domestic properties will reduce from \$11.7 billion to \$8.6 billion per year, representing savings of around \$3.1 billion per year. The additional revenue to be generated by the progressive rating system will be about \$0.76 billion per year.

2. and 3. In designing the proposed progressive rating system for domestic properties, the Government aims to further uphold the "affordable users pay" principle by applying higher rates percentage charge(s) to domestic properties with high rateable values. In addition, the Government has also considered a combination of factors such as the affordability of domestic ratepayers (including the market rental level as reflected in the rateable values, the number of affected ratepayers and the amount of additional rates payable), the estimated increase in rates revenue, and the need to maintain a simple rating system.

Having full regard to the aforementioned factors, the Government recommends adopting a progressive rating scale with three rates bands, with a view to effectively enhancing the rating system while keeping it simple. The proposed progressive rates regime and the number of private domestic tenements involved are shown in the table below:

Annual rateable value (RV) of domestic tenements <i>(Monthly RV)</i>	Proposed new rates percentage charges	Percentage out of all private domestic tenements <i>(Number of such tenements)</i>
\$550,000 or below <i>(\$45,833 or below)</i>	5% (remains unchanged)	97.8% <i>(around 1 866 400)</i>
\$550,001 to \$800,000 <i>(around \$45,833 to \$66,667)</i>	First \$550,000: 5% Next \$250,000: 8%	1.3% <i>(around 24 800)</i>
Above \$800,000 <i>(above \$66,667)</i>	First \$550,000: 5% Next \$250,000: 8% Above \$800,000: 12%	0.9% <i>(around 17 200)</i>

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)020

(Question Serial No.: 637)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is mentioned in the Budget that the Government will implement the international tax reform proposals drawn up by the Organisation for Economic Co-operation and Development to address base erosion and profit shifting (abbreviated as BEPS 2.0), and plans to submit a legislative proposal to the Legislative Council in the second half of this year to implement the global minimum tax rate and other relevant requirements in accordance with the international consensus. At the same time, the Government will consider introducing a domestic minimum top-up tax with regard to the large multinational enterprise groups starting from the year of assessment 2024/25 to ensure that their effective tax rates reach the global minimum effective tax rate of 15% so as to safeguard Hong Kong's taxing rights. Based on the Government's rough estimates, the domestic minimum top-up tax will involve an amount of about \$15 billion per year. Will the Government inform this Committee:

- (a) whether the Advisory Panel on BEPS 2.0 set up by the Government has made any specific recommendations to enable Hong Kong to comply with the requirements under BEPS 2.0 and what the details are;
- (b) whether there is a specific timetable for the implementation of the above proposals and whether the Government has assessed the number of affected enterprise groups to facilitate their early preparation?

Asked by: Hon LAM Chi-yuen, Nelson (LegCo internal reference no.: 3)

Reply:

- (a) The Advisory Panel on BEPS 2.0 had studied how Hong Kong should comply with the BEPS 2.0 requirements after it was established in June 2020. It submitted specific recommendations to the Government in December 2021. The report of the Advisory Panel analysed the potential impact of the BEPS 2.0 proposals on the enterprises operating in Hong Kong and made recommendations on the guiding principles and measures that Hong Kong should adopt when implementing BEPS 2.0. Specifically, the Advisory Panel recommended that Hong Kong should implement the BEPS 2.0 proposals in full (including the global minimum effective tax rate), safeguard the taxing rights of Hong Kong and minimise the compliance burden of enterprises operating in Hong Kong. It also recognised that Hong Kong should continue to adopt the territorial source principle of taxation. The Advisory Panel also recommended that Hong Kong should enhance its competitiveness and improve its business environment through non-tax measures. The summary of the Advisory Panel's recommendations has been uploaded to the website of the Treasury Branch of the Financial Services and the Treasury Bureau (https://www.fstb.gov.hk/tb/en/others/docs/Gist%20of%20Advisory%20Panels%20report_EN.pdf) for perusal by the industry and the general public.
- (b) We plan to submit a legislative proposal to the Legislative Council in the second half of this year to implement the global minimum effective tax rate and other relevant requirements in accordance with the international consensus. At the same time, we will consider introducing a domestic minimum top-up tax with regard to the large multinational enterprise (MNE) groups with turnover of at least 750 million euros starting from the year of assessment 2024/25 to ensure that their effective tax rates reach the global minimum effective tax rate of 15 per cent so as to safeguard Hong Kong's taxing rights.

Based on rough estimates, around 200 MNE groups headquartered in Hong Kong would be subject to the global minimum effective tax rate given that their turnovers have reached at least 750 million euros. The Government has been exchanging views with the affected MNEs on matters relating to the implementation of BEPS 2.0, and reaffirmed that we would preserve the advantages of Hong Kong's tax regime in terms of its simplicity, certainty and transparency, maintain the territorial source principle of taxation as well as minimise the compliance burden on MNEs. The MNEs concerned generally understand that BEPS 2.0 is a new international tax standard and that it is necessary for the Government to implement the relevant measures. The Government will maintain communication with the relevant MNEs to enable them to familiarise with the new tax rules as soon as possible.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)021

(Question Serial No. 0642)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In the table of Government Expenditure and Public Expenditure in the Context of the Economy in Paragraph 14 of Section III of "Appendix A Medium Range Forecast" of the Budget Speech, or the Expenditure Analysis in the Summary of the General Revenue Account, there is a growth of 13.8% in the recurrent government expenditure, which is the biggest increase within the current term of this Government. Will the Government advise this Committee whether any measures have been formulated to control increase in the recurrent expenditure in future?

Asked by: Hon LAM Chi-yuen, Nelson (LegCo internal reference no.: 9)

Reply:

This question is not directly related to Head 147.

Recurrent government expenditure also covers some time-limited expenditure in addition to regular expenditure.

The growth of 13.8% in the recurrent expenditure for 2022-23 is mainly attributed to some time-limited recurrent allocations proposed in the Budget for anti-epidemic purposes (such as a time-limited funding of \$22 billion for the Food and Health Bureau to strengthen testing work and provide additional support for the Hospital Authority). Because of their time-limited nature, such allocations will not pose a long-term burden on our public finance despite their classification as recurrent expenditure. While the recurrent expenditure for 2023-24 is estimated to drop by 1.8% from 2022-23, it will subsequently grow at a rate between 4.1% and 4.6% per annum, lower than the assumed trend growth rate of the nominal GDP of 5.3% per annum for the period.

The Government has all along been adhering to the principles of exercising fiscal prudence, keeping expenditure within the limits of revenue and committing resources as and when justified and needed in public finance management. The 2021-22 Budget already emphasised that government expenditure should enter a consolidation period and announced an expenditure reduction programme (the programme), under which government departments were required to cut recurrent expenditure allocations by 1% without affecting livelihood-related spending. As the programme trims the recurrent expenditure that is of a regular nature and will thus bring a lasting effect, we will not roll out any further expenditure reduction programme this year lest the cumulative impact may disrupt departmental operations and affect the delivery of public services. We will, however, continue to examine carefully any new initiatives that will incur recurrent expenditure and strictly control the growth of the civil service, so as to ensure that our long-term financial commitments are commensurate with the increase in our revenue. Moreover, the Government's target of zero growth in the civil service establishment will remain unchanged in 2022-23, with the aim of ensuring the sustainability of public finance. To ensure the long-term development of Hong Kong, the Government will continue to uphold the fiscal discipline enshrined in the Basic Law.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)022

(Question Serial No. 0661)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the new round of consumption voucher scheme, will the Government inform this Committee of the following:

- (a) The Government is prepared to implement the third stage of Vaccine Pass on 30 June at which those who have received the second dose for at least 9 months would need to receive the third dose to meet the vaccination requirements. In order to encourage full vaccination of 3 doses, will the Government consider disbursing additional consumption vouchers of a certain value to those meeting the vaccination requirements by then as a means to further boost the vaccination rate? If not, what are the reasons?
- (b) The Government plans to launch a compulsory universal testing scheme. To ensure that all members of the public undergo testing on an obligatory basis, will the Government consider revoking the eligibility for consumption vouchers of those who, without special grounds, do not undergo the testing on time? If not, what are the reasons?
- (c) Persons eligible for consumption vouchers include only Hong Kong permanent residents or new arrivals from the Mainland (holders of One-way Permits), but not “drifters in Hong Kong” who are admitted to Hong Kong from the Mainland to work. Has the Government compiled statistics on the current number of “drifters in Hong Kong” and considered extending the eligibility for consumption vouchers to cover these “drifters in Hong Kong”? If not, what are the reasons?

Asked by: Hon LAM Shun-chiu, Dennis (LegCo internal reference no.: 2)

Reply:

- (a) & (b) The Government has been encouraging the public to get vaccinated as soon as possible so as to protect themselves, build a protective barrier in Hong Kong and contain the epidemic the soonest possible. As at 31 March, around 6.20 million people have received at least one dose of vaccine, including 92.1% of the population aged 12 or above. At present, it is mainly the vaccination rate for the elderly which is relatively less than satisfactory and the Government has strived to boost the rate through a multi-pronged approach. By linking up the value of consumption vouchers with vaccination will impose mental stress to the elderly and it may not be acceptable to the public. Meanwhile, the Government has announced the suspension of the Compulsory Universal Testing Scheme (“CUT”). Should there be any plan to implement CUT in future, the Government will definitely consider ways to ensure that members of the public will undergo the required testing as scheduled so as not to affect the effectiveness of the Scheme. The arrangements to be adopted may not dovetail with the implementation schedule of the new round of Consumption Voucher Scheme (“CVS”). Moreover, by adding the prerequisite of having vaccinated or participating in CUT for people to receive consumption vouchers will involve the handling of different reasons from individuals for not having vaccinated or not participating. This will complicate the design of the CVS and inevitably lengthen the preparation time required. In order to relieve the economic burden that the fifth wave of the epidemic has placed on people, we will first make use of the registration data collected through last year’s CVS to disburse \$5,000 consumption voucher to about 6.3 million eligible registrants on 7 April under Phase I of the new round of CVS (Note).
- (c) Taking into account factors such as the policy objectives, number of persons involved and the financial commitment, the new round of CVS will make reference to the arrangement last year and disburse \$10,000 consumption vouchers by instalment to each eligible Hong Kong permanent resident and new arrival aged 18 or above. The estimated financial commitment is about \$66.4 billion. Under the CVS, a new arrival refers to the following two categories of Hong Kong resident:
- (i) a person holding a valid Hong Kong Identity Card or Certificate of Exemption issued by the Commissioner of Registration under the Registration of Persons Regulations (Cap. 177A) who has come to Hong Kong on a Permit for Proceeding to Hong Kong and Macao (commonly known as “One-way Permit”); or
- (ii) a person holding a valid Hong Kong Identity Card or Certificate of Exemption issued by the Commissioner of Registration under the Registration of Persons Regulations (Cap. 177A) who has valid permission to remain in Hong Kong as a dependant sponsored by a Hong Kong permanent resident holding a valid locally-issued Hong Kong Permanent Identity Card or Certificate of Exemption.

“Drifters in Hong Kong” commonly refer to Mainland people who come to work or study in Hong Kong. As it lacks a clear definition, the Government does not have the relevant statistical figures. It is also difficult for us to clearly define them as eligible persons in the eligibility criteria of CVS.

Note:

People using AlipayHK, Tap & Go or WeChat Pay HK to receive consumption vouchers will receive a voucher of \$5,000 with an expiry date of 31 October on 7 April.

People using Octopus to receive consumption vouchers will receive the vouchers in two instalments. The first voucher of \$4,000 will be disbursed on 7 April and the second voucher will be disbursed on the 16th of the following month after the cumulative total “eligible spending” has reached \$4,000. The relevant cumulative total “eligible spending” has to be reached by 31 October the latest.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)023

(Question Serial No. 0789)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

As announced in paragraph 39 of the Budget Speech, a new round of Consumption Voucher Scheme (the Scheme) will be implemented, under which electronic consumption vouchers with a total value of \$10,000 will be disbursed by instalment to each eligible Hong Kong permanent resident and new arrival aged 18 or above through suitable stored value facilities (SVFs). Last year, the Government also initiated to implement the Scheme with the help of 4 SVF operators (i.e. Alipay HK, Octopus, Tap & Go and WeChat Pay HK), and estimated that the Scheme would have a stimulus effect equivalent to 0.7% of the Gross Domestic Product on the local economy. Will the Government inform this Committee of the following:

1. Whether an overall assessment has been conducted regarding the effectiveness of the last round of the Scheme in boosting different segments of the economy, including the effects brought to the people of different income strata and the various trades and industries? What are the details?
2. What are the details of the administrative cost of the last round of the Scheme? What is the estimated overall administrative cost of the new round of the Scheme?
3. What are the total numbers of new users and new merchants of the 4 SVFs after the roll out of the Scheme? Has the Government assessed the effectiveness of the Scheme in fostering the wider application of electronic payment? Will the Government seek to collaborate with more SVF operators in the new round of the Scheme? What are the details?
4. There are views that the scope of use of consumption vouchers in the last round of the Scheme is narrow. Will the Government expand the coverage of consumption vouchers in the new round of the Scheme? What are the details?

Asked by: Hon LEE Wai-king, Starry (LegCo internal reference no.: 1)

Reply:

1. Before launching the last round of Consumption Voucher Scheme (“the Scheme”) in 2021, the Government Economist had roughly estimated that the Scheme would have a stimulus effect equivalent to 0.7% of the Gross Domestic Product on the local economy. The statistics released by the Census and Statistics Department shows that, even with the low base effect gradually dissipating, the value of total retail sales still grew by 8.8% year-on-year between August and December last year (i.e. the first 5 months when the consumption vouchers were disbursed), which was higher than the average growth rate of 7.6% between January and July last year. The value of total restaurant receipts rose by 43.9% and 29.0% year-on-year in the third and fourth quarters last year respectively against a low base of comparison, while private consumption expenditure in the two quarters also grew by 6.8% and 5.8% year-on-year respectively. This shows that the Scheme has helped stimulate local consumer sentiment and has achieved the intended result.

In February this year, three scholars from the Department of Economics of The Chinese University of Hong Kong have completed a research report on the effectiveness of the 2021 Scheme, pointing out that the Scheme has boosted an additional overall consumption by approximately 80% to 110% of the amount disbursed, which is much higher than the consumption voucher schemes launched by other places in the past.

2. Based on the latest estimation, the administrative expenses for implementing the 2021 Scheme is approximately \$250 million, accounting for 0.8% of the total expenditure. As the Secretariat of the 2021 Scheme are also operated by the existing staff of the 2020 Cash Payout Scheme (“CPS”) Secretariat, they are responsible for handling the registration, enquiries, complaints, reviews and appeals of the two schemes at the same time and providing assistance to persons with special needs, thus saving a portion of the manpower cost. With the end of the registration period for the CPS on 31 December 2021, the relevant staff will gradually leave the Secretariat. As a result, we need to replenish the manpower in order to implement the new round of the Scheme. Drawing on the experience last year, we have set aside about \$400 million (accounting for about 0.6% of the total expenditure) to meet administrative expenses of the new round of the Scheme, which includes providing additional manpower in different departments to assist in the preparation and implementation of the Scheme, enhancing related computer systems and other ancillary facilities, paying service fees to assisting agencies (such as stored value facilities (“SVF”) operators, agency providing enquiry hotline service and contractor conducting random checks on the “residing in Hong Kong” requirement etc.), and conducting publicity and promotional activities etc. We will continue to use public funds carefully based on actual requirement and will reduce the administrative expenses as far as possible.

3. Since the Government's announcement on 11 April last year the selection of four SVF operators to assist in implementing the 2021 Scheme, the four operators have acquired a total of over 5.4 million new users and 100 000 new merchants as at the end of February this year. They also indicated that there had been a significant growth in the number and value of transactions processed by them since the launch of the Scheme. According to the latest statistics published by the Hong Kong Monetary Authority, the total number of SVF accounts in use as at the end of the fourth quarter of 2021 had increased by 3.9% as compared with the end of the fourth quarter of 2020. The total number and total value of SVF transactions in the fourth quarter of 2021 also rose by 17.9% and 32.6% respectively as compared with the corresponding period of 2020.

After a year or so, it is noticed that there may be other suitable SVFs available in the market. Therefore, we have commenced the selection process to identify suitable SVFs, including exploring the possibility of introducing new operators to assist in implementing the new round of the Scheme (Phase II).

4. With the aim to boost local consumption, the usage of the last round of consumption vouchers is set to cover all local retail, catering and service outlets and their online platforms, including retail shops, market stalls, department stores, supermarkets, convenience stores, restaurants, fast food shops, coffee shops, recreational facilities, beauty salons and public transport etc. which accept payments by participating SVFs under the Scheme. The coverage is very extensive. Only a few consumption categories which do not meet the purpose of supporting local consumption, such as payments to the Government, public utilities and public organisations, person to person payments and encashment, etc. have been excluded. The same arrangement will be adopted in the new round of the Scheme.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)024

(Question Serial No. 0791)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (the Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is mentioned in paragraph 185 of the Budget that a progressive rating system will be introduced. In addition, it is suggested that the proposal regarding rates concession for domestic properties will be rolled out in the first phase in 2023-24, whereas the proposed progressive rating system for domestic properties will be introduced in the second phase in 2024-25. Will the Government advise this Committee:

1. whether reference has been made to countries and regions that have adopted similar progressive rating systems; if so, the details of the methods of calculating rates at progressive rates and the tax rates imposed;
2. whether assessment has been made on the impact of introducing the proposals to the local property market; if so, the details; and
3. the details of the respective implementation timetables, resources and manpower of the two proposals at different phases; and the anticipated time for consulting the Legislative Council Panel on Financial Affairs?

Asked by: Hon LEE Wai-king, Starry (LegCo internal reference no.: 5)

Reply:

1. The Government has made reference to the experience of other countries or regions when formulating the progressive rates regime for domestic properties. We notice that some of them have already introduced progressive elements to their rates or similar systems. For instance, Singapore and the United Kingdom charge a property tax similar to rates for domestic properties at progressive rates. As for Australia, rates or similar taxes for domestic properties are charged pursuant to the regulations of respective regions, with individual regions imposing progressive rates on land tax.

2. The proposed arrangement on rates concessions for domestic properties aims at granting rates concession in a more targeted manner. The Government will continue to consider on an annual basis whether to provide rates concession and the concession ceiling in the light of the prevailing circumstances. The amount of rates concession involved is considerably limited as compared to the value of the properties. Under the proposed progressive rates regime for domestic properties, only private properties with a rateable value above \$550,000 (i.e. an average monthly rental above \$45,833) are subject to rates on a progressive rating scale. Enhancement to the rating system aims to further uphold the “affordable users pay” principle, higher rates percentage charges will apply only to domestic properties with high rateable values, and only 2% of private domestic properties will be affected. This will not deviate from determining the rental level of private domestic properties market by its demand and supply.
3. Implementation of the proposed rates concession mechanism and progressive rates regime for domestic properties would entail fundamental changes to the computer systems of the Rating and Valuation Department (RVD) in order to process rates relief applications and conduct data matching for verification of applicants’ eligibility, as well as to revise accounting and billing and enhance rating assessment under the progressive rates regime. As such, the proposals have to be implemented by phases. It is expected that RVD could launch the new rates concession mechanism in March 2023 at the earliest by inviting applications from owners for electing a property to enjoy new rates concession. If a decision is made to offer rates concession for domestic properties in 2023-24, rates demands for the third quarter of 2023-24 (i.e. October to December 2023) will reflect the new rates concession mechanism. It is also expected that rates demands reflecting the new progressive rates regime will be issued in the fourth quarter of 2024-25.

Implementation of the two proposals will involve a one-off expenditure of about \$250 million and an annual recurrent expenditure of about \$16.2 million, mainly for increasing manpower for the preparation and implementation of the two new proposals, as well as taking forward a number of computer projects to develop new computer systems and enhance existing systems. It will take 33 months altogether to complete these computer projects. In 2022-23, there will be a net increase of 27 non-directorate civil service posts (i.e. creation of 29 new posts and deletion of 2 existing posts) in the RVD for the relevant work.

We expect that the implementation of the proposals will generate additional revenue for the Government. Assuming that one-off rates concession will remain at the 2022-23 level of being capped at \$5,000, the revenue forgone in providing one-off rates concession for domestic properties will reduce from \$11.7 billion to \$8.6 billion per year, representing savings of around \$3.1 billion per year. The additional revenue to be generated by the progressive rating system will be about \$0.76 billion per year.

The Government has submitted a paper on the details and the implementation timetable of the proposals to the Panel on Financial Affairs of the Legislative Council, and planned to consult the Panel in April 2022.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)025

(Question Serial No. 0793)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

As mentioned in paragraph 122 of the Budget, the Financial Secretary will set aside \$100 billion from the cumulative return of the Future Fund to set up a dedicated fund under the Capital Works Reserve Fund in order to expedite the implementation of infrastructure works relating to land, housing and transportation within the Northern Metropolis. Does the Government have any preliminary ideas for the general uses of the above \$100 billion?

Asked by: Hon LEE Wai-king, Starry (LegCo internal reference no.: 9)

Reply:

This question is not directly related to Head 147.

The Northern Metropolis Development Strategy (Development Strategy) is an important strategic investment for the future of Hong Kong to enhance our long term competitiveness and create ample job opportunities, which will more effectively support our economic and social development. On the financial arrangements, the Government will set aside \$100 billion from the cumulative return of the Future Fund to set up a dedicated funding under the Capital Works Reserve Fund. The objective is to ensure there will be sufficient capitals to support the development needs under the Development Strategy and to expedite the implementation of large scale works projects in the Northern Metropolis.

With the support of the dedicated funding, we will implement the various works projects of the Northern Metropolis in phases and will also properly manage the cash flow of the related projects with a view to ensuring the smooth implementation of the Development Strategy as well as to ensuring an early generation of income from private development projects within the districts. We are studying the actual mode of operation of the dedicated funding and will announce the relevant details in due course.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)026

(Question Serial No. 0345)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

As stated by the Financial Secretary in the Budget Speech, a tax deduction will be provided for domestic rental expenses starting from the year of assessment 2022/23 so as to ease the burden of renting a private property on taxpayers liable to salaries tax and tax under personal assessment who are not owners of domestic properties, subject to a deduction ceiling of \$100,000 for a year of assessment. In this connection, will the Government inform this Committee of:

- (a) the number of individuals who filed property tax returns in the past 2 years and its percentage share in the total number of domestic property owners in Hong Kong;
- (b) the number of taxpayers liable to salaries tax and tax under personal assessment who are not domestic property owners, and of which, the number of individuals who rent private properties and their average monthly rental expenses in the past 2 years;
- (c) whether the Government has assessed the risk of this measure in causing owners to increase rents; if yes, the details and the preventive measures, and if no, the reasons;
- (d) the estimated time of completing the scrutiny of the bill and implementing the measure, and whether a department will be tasked to monitor the impact of the measure on private property rentals upon the commencement of the bill?

Asked by: Hon MAK Mei-kuen, Alice (LegCo internal reference no.: 5)

Reply:

- (a) The statistics of property owners reporting rental income derived from letting properties in the past two years are as follows:

Financial Year	Solely-owned letting properties		Jointly-owned or co-owned letting properties	
	Number of owners	Number of properties involved	Number of owners	Number of properties involved
2020/21	172 000	242 000	298 000	124 000
2021/22 (As at 28 February 2022)	179 000	249 000	285 000	129 000

Note: The above statistics do not include corporations or bodies of persons reporting rental income derived from letting properties in their profits tax returns.

The Inland Revenue Department (IRD) does not have the statistical breakdown by the nature (e.g. domestic, commercial, industrial or carpark purposes) of letting properties. As such, the IRD is unable to provide the percentage share of property owners reporting rental income derived from letting properties in the total number of domestic property owners in Hong Kong.

- (b) The IRD does not have the statistics on the number of taxpayers liable to salaries tax and tax under personal assessment who are not domestic property owners.
- (c) The proposed deduction ceiling for domestic rental expenses is \$100,000 for a year of assessment. Even calculated at the highest progressive rate of 17%, the deduction will allow a taxpayer to save a maximum of \$17,000 for the tax payable each year (equivalent to a maximum saving of about \$1,400 on average per month). We believe that the deduction level will provide some relief to the taxpayers concerned whilst not leading to the setting of rental levels that deviate from the levels determined by supply and demand of the domestic rental market.
- (d) To enable rental expenses to be deducted in calculating the provisional tax payable for the year of assessment 2022/23, the Government plans to introduce a bill into the Legislative Council in the second quarter of this year and seeks to secure its passage within the current legislative session (i.e. before mid-July). As with the other tax deduction measures currently in place, the Financial Services and the Treasury Bureau and the IRD will keep in view the situation after the implementation of the deduction measure for domestic rental expenses.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)027

(Question Serial No. 0885)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In view of the shortage of land in Hong Kong, the Financial Secretary has announced in the 2022-23 Budget that financial arrangements will be made to set aside \$100 billion for expediting the implementation of infrastructure works relating to land, housing and transportation within the Northern Metropolis; and that the Government will formulate development plans for 4 land formation projects in the Northern Metropolis within 2 to 3 years, and also step up the implementation of the New Development Areas projects to ensure timely completion of the housing projects. In this connection, will the Government inform this Committee of:

1. the specific uses of the \$100 billion under the above financial arrangements; the respective estimated expenditures on (a) land development, (b) planning and construction of housing, (c) transport infrastructure, (d) support for the innovation and technology industry, (e) other infrastructure works, etc.;
2. the respective expected commencement dates of use concerning the above expenditure items; and
3. the anticipated effect of the \$100 billion on the development of the Northern Metropolis.

Asked by: Hon SO Cheung-wing (LegCo internal reference no.: 11)

Reply:

This question is not directly related to Head 147.

The Northern Metropolis Development Strategy (Development Strategy) is an important strategic investment for the future of Hong Kong to enhance our long term competitiveness and create ample job opportunities, which will more effectively support our economic and social development. On the financial arrangements, the Government will set aside \$100 billion from the cumulative return of the Future Fund to set up a dedicated funding under the Capital Works Reserve Fund. The objective is to ensure there will be sufficient capitals to support the development needs under the Development Strategy and to expedite the implementation of large scale works projects in the Northern Metropolis.

With the support of the dedicated funding, we will implement the various works projects of the Northern Metropolis in phases and will also properly manage the cash flow of the related projects with a view to ensuring the smooth implementation of the Development Strategy as well as to ensuring an early generation of income from private development projects within the districts. We are studying the actual mode of operation of the dedicated funding and will announce the relevant details in due course.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)028

(Question Serial No. 0766)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (3) Service Departments

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide details on the outsourced cleansing and security services contracts of the Food and Environmental Hygiene Department (FEHD), the Housing Department (HD), the Leisure and Cultural Services Department (LCSD) and the Government Property Agency (GPA), including the duration of contracts, number of outsourced workers engaged, names of contractors and contract values involved, for the present and the next 2 years, broken down by district.

Asked by: Hon TANG Ka-piu (LegCo internal reference no.: 7)

Reply:

Information on existing cleansing and security-related service contracts of FEHD, LCSD, GPA and HD (including the contracts which will expire in the coming 2 years) is set out in **Annex 1**. The procuring departments will invite tenders when the existing service contracts are about to expire depending on the service needs at the time. No further information is available at the moment.

Information on cleansing and security-related service contracts for which tenders are being invited by the above 4 major procuring departments is set out in **Annex 2**.

Existing cleansing and security-related service contracts under FEHD, LCSD, GPA and HD (as at 11 March 2022)

Procuring department: FEHD

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Central & Western District	Cleansing	Neways (HK) Services Company Limited	1/5/2019	30/4/2024	45.24	5
Central & Western District	Cleansing	Johnson Cleaning Services Company Limited	1/7/2020	30/6/2022	195.21	341
Central & Western District	Cleansing	Dusservice Hong Kong Limited	1/7/2020	30/6/2023	63.90	74
Central & Western District	Cleansing	Johnson Cleaning Services Company Limited	1/4/2021	31/3/2024	75.06	54
Central & Western District	Cleansing	Shiny Glory Services Limited	1/3/2022	28/2/2025	242.28	289
Central & Western District	Cleansing	Shiny Glory Services Limited	1/3/2022	28/2/2025	226.37	261
Eastern District	Cleansing	Yee Tai Cleaning Company Limited	1/11/2019	31/10/2022	79.35	114
Eastern District	Cleansing	Baguio Cleaning Services Company Limited	1/6/2021	31/5/2024	278.36	281
Eastern District	Cleansing	Baguio Cleaning Services Company Limited	1/6/2021	31/5/2024	226.96	218
Eastern District	Cleansing	Baguio Waste Management & Recycling Limited	1/10/2021	30/9/2026	73.89	9
Eastern District	Cleansing	Dusservice Hong Kong Limited	1/4/2021	31/3/2024	54.80	36
Islands District	Cleansing	Dusservice Hong Kong Limited	1/2/2020	31/1/2023	27.14	28

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Islands District	Cleansing	Sparkle Environmental Services Limited	1/7/2020	30/6/2022	140.03	215
Islands District	Cleansing	Shiny Glory Services Limited	1/4/2021	31/3/2023	141.60	186
Islands District	Cleansing	Johnson Cleaning Services Company Limited	1/4/2021	31/3/2024	54.21	39
Islands District	Cleansing	Sparkle Environmental Services Limited	1/4/2021	31/3/2024	38.74	27
Wan Chai District	Cleansing	Lapco Service Limited	1/7/2017	30/6/2022	53.99	7
Wan Chai District	Cleansing	Lapco Service Limited	1/9/2020	31/8/2023	52.38	55
Wan Chai District	Cleansing	Sparkle Environmental Services Limited	1/4/2021	31/3/2024	50.52	33
Wan Chai District	Cleansing	Shiny Glory Services Limited	1/1/2022	31/12/2024	130.61	136
Wan Chai District	Cleansing	Shiny Glory Services Limited	1/1/2022	31/12/2024	135.00	132
Wan Chai District	Cleansing	Shiny Glory Services Limited	1/1/2022	31/12/2024	115.56	117
Wan Chai District	Cleansing	Shiny Glory Services Limited	1/1/2022	31/12/2024	87.77	80
Southern District	Cleansing	Dusservice Hong Kong Limited	1/7/2020	30/6/2023	48.71	47
Southern District	Cleansing	Lapco Service Limited	1/4/2021	31/3/2024	57.20	42
Southern District	Cleansing	Jasen Services Limited	1/11/2021	31/10/2024	288.54	295
Kowloon City District	Cleansing	Kan Kee Cleaning Services Company Limited	1/11/2017	31/10/2022	48.53	7
Kowloon City District	Cleansing	Baguio Pest Management Limited	1/7/2020	30/6/2023	42.32	44
Kowloon City District	Cleansing	Sparkle Environmental Services Limited	1/4/2021	31/3/2024	57.44	26
Kowloon City District	Cleansing	Jasen Services Limited	1/10/2021	30/9/2024	284.21	276

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Kowloon City District	Cleansing	Jasen Services Limited	1/10/2021	30/9/2024	260.13	271
Mong Kok District	Cleansing	Lapco Service Limited	1/6/2017	31/5/2022	52.98	4
Mong Kok District	Cleansing	Hugo Services Company Limited	1/10/2019	30/9/2022	4.52	6
Mong Kok District	Cleansing	Johnson Cleaning Services Company Limited	1/10/2020	30/9/2022	134.92	225
Mong Kok District	Cleansing	Johnson Cleaning Services Company Limited	1/10/2020	30/9/2022	136.79	232
Mong Kok District	Cleansing	Shiny Glory Services Limited	1/12/2020	30/11/2023	32.40	32
Mong Kok District	Cleansing	Dusservice Hong Kong Limited	1/4/2021	31/3/2024	31.48	14
Yau Tsim District	Cleansing	Sparkle Environmental Services Limited	1/5/2020	30/4/2022	122.93	192
Yau Tsim District	Cleansing	Sparkle Environmental Services Limited	1/5/2020	30/4/2022	120.73	203
Yau Tsim District	Cleansing	Yee Tai Cleaning Company Limited	1/9/2020	31/8/2023	30.86	39
Yau Tsim District	Cleansing	Baguio Pest Management Limited	1/10/2020	31/3/2024	42.97	16
Sham Shui Po District	Cleansing	Baguio Pest Management Limited	1/7/2020	30/6/2023	52.12	61
Sham Shui Po District	Cleansing	Johnson Cleaning Services Company Limited	1/4/2021	31/3/2024	58.53	26
Sham Shui Po District	Cleansing	Johnson Cleaning Services Company Limited	1/6/2021	31/5/2024	194.35	226

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Sham Shui Po District	Cleansing	Baguio Cleaning Services Company Limited	1/6/2021	31/5/2024	95.94	75
Sham Shui Po District	Cleansing	Johnson Cleaning Services Company Limited	1/6/2021	31/5/2024	284.99	284
Sham Shui Po District	Cleansing	San Wo Cleaning Service Company Limited	1/2/2022	31/1/2025	2.53	5
Wong Tai Sin District	Cleansing	Baguio Pest Management Limited	1/10/2019	30/9/2022	65.37	32
Wong Tai Sin District	Cleansing	Shiny Glory Services Limited	1/11/2020	31/10/2023	65.88	84
Wong Tai Sin District	Cleansing	Baguio Waste Management & Recycling Limited	1/5/2021	30/4/2026	96.48	9
Wong Tai Sin District	Cleansing	Shiny Glory Services Limited	1/3/2022	28/2/2025	194.69	280
Kwun Tong District	Cleansing	Johnson Cleaning Services Company Limited	1/10/2019	30/9/2022	63.26	34
Kwun Tong District	Cleansing	Yee Tai Cleaning Company Limited	1/1/2020	31/12/2022	60.50	85
Kwun Tong District	Cleansing	Lapco Service Limited	1/7/2021	30/6/2026	82.80	7
Kwun Tong District	Cleansing	Lapco Service Limited	1/7/2021	30/6/2026	81.60	7
Kwun Tong District	Cleansing	Johnson Cleaning Services Company Limited	1/11/2021	31/10/2024	249.54	262
Kwun Tong District	Cleansing	Shiny Glory Services Limited	1/11/2021	31/10/2024	185.94	202

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Tai Po District	Cleansing	China Type Limited	1/5/2018	30/4/2023	53.00	6
Tai Po District	Cleansing	Creative Pest Control Services Limited	1/12/2019	30/11/2022	68.94	33
Tai Po District	Cleansing	Dusservice Hong Kong Limited	1/7/2020	30/6/2023	41.22	47
Tai Po District	Cleansing	Johnson Cleaning Services Company Limited	1/8/2020	31/7/2022	101.39	164
Tai Po District	Cleansing	Johnson Cleaning Services Company Limited	1/8/2020	31/7/2022	110.89	175
Yuen Long District	Cleansing	Integrity Service Limited	1/4/2020	31/3/2023	55.55	28
Yuen Long District	Cleansing	Johnson Cleaning Services Company Limited	1/4/2020	31/3/2023	48.49	28
Yuen Long District	Cleansing	Sparkle Environmental Services Limited	1/7/2020	30/6/2022	181.56	309
Yuen Long District	Cleansing	Sparkle Environmental Services Limited	1/7/2020	30/6/2022	204.41	358
Yuen Long District	Cleansing	Uni-China (Market) Management Limited	1/9/2020	30/11/2023	25.75	8
Yuen Long District	Cleansing	Dusservice Hong Kong Limited	1/10/2020	30/9/2023	37.80	42
Yuen Long District	Cleansing	Lapco Service Limited	1/3/2022	28/2/2027	211.25	13
Tuen Mun District	Cleansing	Dusservice Hong Kong Limited	1/1/2020	31/12/2022	24.66	24
Tuen Mun District	Cleansing	Baguio Pest Management Limited	1/4/2020	31/3/2023	36.57	18

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Tuen Mun District	Cleansing	Sparkle Environmental Services Limited	1/4/2020	31/3/2023	43.19	22
Tuen Mun District	Cleansing	Johnson Cleaning Services Company Limited	1/12/2020	30/11/2025	95.08	9
Tuen Mun District	Cleansing	Jasen Services Limited	1/12/2021	30/11/2024	296.44	306
North District	Cleansing	Shiny Glory Services Limited	1/8/2020	31/7/2023	59.30	77
North District	Cleansing	Johnson Cleaning Services Company Limited	1/6/2021	31/5/2024	6.82	24
North District	Cleansing	Jasen Services Limited	1/10/2021	30/9/2024	212.28	228
North District	Cleansing	Jasen Services Limited	1/10/2021	30/9/2024	283.30	305
Sai Kung District	Cleansing	Johnson Cleaning Services Company Limited	1/4/2020	31/3/2023	53.40	30
Sai Kung District	Cleansing	Lapco Service Limited	1/4/2020	31/3/2023	28.07	14
Sai Kung District	Cleansing	Dusservice Hong Kong Limited	1/5/2020	30/4/2023	12.65	18
Sai Kung District	Cleansing	Sparkle Environmental Services Limited	1/7/2020	30/6/2022	106.69	169
Sai Kung District	Cleansing	Sparkle Environmental Services Limited	1/7/2020	30/6/2022	131.75	224
Sai Kung District	Cleansing	Lapco Service Limited	1/5/2021	30/4/2026	79.68	7
Sha Tin District	Cleansing	Kan Kee Cleaning Services Company Limited	1/11/2018	31/10/2023	52.13	5
Sha Tin District	Cleansing	Dusservice Hong Kong Limited	1/2/2020	31/1/2023	25.74	38
Sha Tin District	Cleansing	Integrity Service Limited	1/4/2020	31/3/2023	41.03	20
Sha Tin District	Cleansing	Sparkle Environmental Services Limited	1/4/2020	31/3/2023	33.96	16

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Sha Tin District	Cleansing	Johnson Cleaning Services Company Limited	1/7/2020	30/6/2022	132.19	230
Sha Tin District	Cleansing	Johnson Cleaning Services Company Limited	1/7/2020	30/6/2022	124.71	206
Tsuen Wan District	Cleansing	Lapco Service Limited	1/12/2019	30/11/2022	81.18	39
Tsuen Wan District	Cleansing	Dusservice Hong Kong Limited	1/1/2020	31/12/2022	60.00	82
Tsuen Wan District	Cleansing	Baguio Cleaning Services Company Limited	1/5/2021	30/4/2023	106.39	167
Tsuen Wan District	Cleansing	Jasen Services Limited	1/5/2021	30/4/2023	101.44	164
Tsuen Wan District	Cleansing	Baguio Waste Management & Recycling Limited	1/6/2021	31/5/2026	75.94	8
Kwai Tsing District	Cleansing	Baguio Pest Management Limited	1/12/2019	30/11/2022	78.28	39
Kwai Tsing District	Cleansing	Dusservice Hong Kong Limited	1/5/2020	30/4/2023	32.56	43
Kwai Tsing District	Cleansing	Johnson Cleaning Services Company Limited	1/9/2020	31/8/2022	127.79	181
Kwai Tsing District	Cleansing	Johnson Cleaning Services Company Limited	1/9/2020	31/8/2022	128.02	184
Cross Districts	Cleansing	ISS Environmental Services (HK) Limited	1/4/2017	31/3/2022	44.84	8
Cross Districts	Cleansing	ISS Environmental Services (HK) Limited	1/5/2018	30/4/2023	43.48	12

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Cross Districts	Cleansing	Yee Tai Cleaning Company Limited	1/9/2019	31/8/2022	13.93	18
Cross Districts	Cleansing	Sparkle Environmental Services Limited	1/10/2019	30/9/2022	20.39	12
Cross Districts	Cleansing	ISS Environmental Services (HK) Limited	1/11/2019	31/10/2024	110.77	15
Cross Districts	Cleansing	Johnson Cleaning Services Company Limited	1/12/2019	30/11/2022	77.33	41
Cross Districts	Cleansing	World Environmental Services Limited	1/7/2020	30/6/2023	63.22	66
Cross Districts	Cleansing	Energy Service Limited	1/7/2020	30/6/2023	14.40	5
Cross Districts	Cleansing	Johnson Cleaning Services Company Limited	1/1/2021	31/12/2023	14.76	34
Cross Districts	Cleansing	Integrity Service Limited	1/1/2021	31/12/2023	8.04	11
Cross Districts	Cleansing	ISS Environmental Services (HK) Limited	1/3/2021	29/2/2024	174.60	8
Cross Districts	Cleansing	New Wealthy Engineering Limited	1/3/2021	29/2/2024	19.02	2
Cross Districts	Cleansing	Hoi Luen Environmental Services Limited	1/5/2021	31/5/2024	6.89	16
Cross Districts	Cleansing	Goodyear (Mak's) Services Company Limited	1/5/2021	30/4/2026	114.72	11
Cross Districts	Cleansing	Goodyear (Mak's) Services Company Limited	1/6/2021	31/5/2023	67.30	12
Cross Districts	Cleansing	Baguio Cleaning Services Company Limited	1/6/2021	31/5/2023	39.98	12
Cross Districts	Cleansing	Li Hing Environmental Services Company Limited	1/6/2021	31/5/2024	7.79	30

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Cross Districts	Cleansing	Waihong Environmental Services Limited	1/12/2021	30/11/2024	9.39	17
Cross Districts	Cleansing	Good Environmental Services Limited	1/12/2021	30/11/2024	15.08	40
Central & Western District	Security	Sky Wise Services Management Limited	1/10/2019	30/9/2022	18.52	26
Eastern District	Security	Alliance Security Limited	1/6/2019	31/5/2022	7.19	15
Eastern District	Security	Sky Wise Services Management Limited	1/11/2019	31/10/2022	5.82	11
Southern District	Security	Central Security Services Limited	1/11/2019	31/10/2022	4.68	5
Southern District	Security	Wilson Service Limited	1/7/2020	30/6/2023	3.84	6
Kowloon City District	Security	Central Security Services Limited	1/9/2019	31/8/2022	6.42	12
Mong Kok District	Security	Central Security Services Limited	1/10/2019	30/9/2022	6.48	12
Mong Kok District	Security	Alliance Security Limited	1/2/2022	31/1/2025	5.56	8
Yau Tsim District	Security	Guard Able Limited	1/9/2019	31/8/2022	6.40	11
Sham Shui Po District	Security	Alliance Security Limited	1/4/2022	31/3/2025	8.72	12
Wong Tai Sin District	Security	Alliance Security Limited	1/2/2022	31/1/2025	14.72	26
Kwun Tong District	Security	Alliance Security Limited	1/2/2022	31/1/2025	2.48	4
Tai Po District	Security	F.H. Security Services Company Limited	1/11/2021	31/10/2024	19.16	30
North District	Security	Central Security Services Limited	16/7/2021	31/7/2024	19.82	39

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
North District	Security	Alliance Security Limited	1/2/2022	31/1/2025	5.39	8
Cross Districts	Security	Alliance Security Limited	1/4/2019	31/3/2022	15.28	29
Cross Districts	Security	Wise Security Limited	1/6/2019	31/5/2022	24.47	49
Cross Districts	Security	Sunguard Security Company Limited	1/12/2019	30/11/2023	41.24	34
Cross Districts	Security	Wise Security Limited	1/8/2020	31/7/2023	36.33	69
Cross Districts	Security	Central Security Services Limited	1/8/2020	31/7/2023	10.08	17
Cross Districts	Security	Sunguard Security Company Limited	1/12/2020	30/11/2023	29.38	37
Cross Districts	Security	Mainland Services Management Limited	1/8/2021	31/7/2024	11.50	19
Cross Districts	Security	F.H. Security Services Company Limited	1/9/2021	31/8/2024	14.21	23
Cross Districts	Security	Mainland Services Management Limited	1/9/2021	31/8/2024	13.50	21
Cross Districts	Security	Alliance Security Limited	1/2/2022	28/2/2025	13.89	18
Cross Districts	Security	Alliance Security Limited	1/4/2022	31/3/2025	10.27	17
Cross Districts	Other	Melofield Nursery And Landscape Contractor Limited	1/4/2021	31/3/2024	133.52	137
Cross Districts	Other	Baguio Landscaping Services Limited	1/4/2021	31/3/2024	49.74	40

Procuring department: LCSD

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/security worker involved
Siu Sai Wan Complex	Cleansing	Baguio Cleaning Services Co. Ltd.	1/5/2019	30/4/2022	2.19	9
Hong Kong Heritage Museum, Sheung Yiu Folk Museum, Hong Kong Railway Museum and Sam Tung Uk Museum	Cleansing	Baguio Cleaning Services Co. Ltd.	1/8/2019	31/7/2022	16.00	38
Fa Yuen Street Municipal Services Building	Cleansing	Baguio Cleaning Services Co. Ltd.	1/9/2019	31/8/2022	5.45	15
Sai Wan Ho Municipal Services Building	Cleansing	Baguio Cleaning Services Co. Ltd.	1/9/2019	31/8/2022	7.72	25
Quarry Bay Municipal Services Building	Cleansing	Baguio Cleaning Services Co. Ltd.	1/9/2019	31/8/2022	2.72	5
Sha Tin Town Hall, Tai Po Civic Centre and North District Town Hall, Yuen Long Theatre, Kwai Tsing Theatre and Tsuen Wan Town Hall	Cleansing	Baguio Cleaning Services Co. Ltd.	1/10/2019	30/9/2022	50.88	111
Hong Kong Space Museum	Cleansing	Good Environmental Services Limited	1/10/2019	30/9/2022	6.44	13
Lam Tin Complex	Cleansing	Shiny Glory Services Limited	1/12/2019	30/11/2022	18.36	45
Parks and playgrounds in Eastern District and Wan Chai District	Cleansing	Baguio Cleaning Services Co. Ltd.	1/4/2020	31/3/2023	196.85	444

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Leisure venues in Eastern District, Wan Chai District, Central and Western District and Southern District	Cleansing	Johnson Cleaning Services Co. Ltd.	1/4/2020	31/3/2023	352.68	623
Parks and playgrounds in Central and Western District and Southern District	Cleansing	Johnson Cleaning Services Co. Ltd.	1/4/2020	31/3/2023	140.87	229
Lady Maclehole Holiday Village, Sai Kung Outdoor Recreation Centre and Tso Kung Tam Outdoor Recreation Centre	Cleansing	Baguio Cleaning Services Co. Ltd.	1/5/2020	30/4/2023	33.65	51
Leisure venues in Islands District, Tsuen Wan District, Tuen Mun District, Yuen Long District and Kwai Tsing District	Cleansing	Johnson Cleaning Services Co. Ltd.	1/5/2020	30/4/2023	729.13	1284
Lei Yue Mun Park	Cleansing	Johnson Cleaning Services Co. Ltd.	1/5/2020	30/4/2023	16.23	26
Leisure venues in Tai Po District	Cleansing	Nixon Cleaning Company Limited	1/5/2020	30/4/2023	116.72	235
Hong Kong Science Museum and Tuen Mun Store, Hong Kong Coastal Defence Museum, Lei Cheng Uk Han Tomb Museum, Law Uk Folk Museum, and 3 museum stores located in Kowloon Park, Hong Ning Road and Kowloon Bay	Cleansing	Baguio Cleaning Services Co. Ltd.	1/7/2020	30/6/2023	33.14	68

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Public Libraries in Kowloon City District and Yau Tsim Mong District, Sham Shui Po District, Islands District, Sai Kung District, Sha Tin District and Yuen Long District	Cleansing	Johnson Cleaning Services Co. Ltd.	1/7/2020	30/6/2023	77.65	312
Hong Kong Museum of History	Cleansing	Johnson Cleaning Services Co. Ltd.	1/7/2020	30/6/2023	9.44	36
Public Libraries in North District and Tai Po District	Cleansing	Johnson Cleaning Services Co. Ltd.	1/7/2020	30/6/2023	5.74	25
Public Libraries in Eastern District, Southern District, Wan Chai District, Kwai Tsing District and Tsuen Wan District	Cleansing	Johnson Cleaning Services Co. Ltd.	1/7/2020	30/6/2023	9.20	56
Public Libraries in Kwun Tong District, Wong Tai Sin District and Tuen Mun District	Cleansing	Melofield Nursery And Landscape Contractor Ltd	1/7/2020	30/6/2023	11.56	89
Kowloon City Municipal Services Building	Cleansing	New Life Psychiatric Rehabilitation Association	1/7/2020	30/6/2023	4.21	4
Leisure venues in Sham Shui Po District and Yau Tsim Mong District	Cleansing	Johnson Cleaning Services Co. Ltd.	1/10/2020	30/9/2023	437.72	767
Ngau Chi Wan Municipal Services Building	Cleansing	New Life Psychiatric Rehabilitation Association	1/10/2020	30/9/2023	10.00	12
Hong Kong Central Library	Cleansing	Johnson Cleaning Services Co. Ltd.	1/12/2020	30/11/2023	38.37	76

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Hong Kong Coliseum and Queen Elizabeth Stadium	Cleansing	Good Environmental Services Limited	1/1/2021	31/12/2023	37.03	39
Ap Lei Chau Municipal Services Building	Cleansing	Good Environmental Services Limited	1/2/2021	31/1/2024	2.15	6
City Hall and Hong Kong Cultural Centre	Cleansing	Johnson Cleaning Services Co. Ltd.	1/6/2021	31/5/2024	76.58	108
Shek Tong Tsui Municipal Services Building	Cleansing	Nixon Cleaning Company Limited	1/6/2021	31/5/2024	2.13	5
Hong Kong Film Archive, Hong Kong Museum of Art, Flagstaff House Museum of Tea Ware and the K. S. Lo Gallery	Cleansing	Waihong Environmental Services Limited	1/6/2021	31/5/2024	35.09	51
Leisure and Cultural Services Headquarters	Cleansing	Baguio Cleaning Services Co. Ltd.	1/7/2021	30/6/2024	6.19	20
Lei Yue Mun Municipal Services Building and Shui Wo Street Municipal Services Building	Cleansing	Nixon Cleaning Company Limited	1/7/2021	30/6/2024	12.11	24
Un Chau Street Municipal Services Building	Cleansing	Dusservice Hong Kong Limited	1/9/2021	31/8/2024	2.77	5
Ko Shan Theatre and Ko Shan Theatre New Wing	Cleansing	Waihong Environmental Services Limited	1/10/2021	30/9/2024	14.96	23
Hong Kong Stadium, Mong Kok Stadium and So Kon Po Recreation Ground	Cleansing	Waihong Environmental Services Limited	1/10/2021	30/9/2024	24.43	10

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
St. Stephen's Beach Water Sports Centre and Stanley Main Beach Water Sports Centre	Cleansing	New Method Cleaning Services Ltd.	1/1/2022	31/12/2024	4.23	10
Leisure venues in Kowloon City District, Wong Tai Sin District and Kwun Tong District	Cleansing	Nixon Cleaning Company Limited	1/1/2022	31/12/2024	552.38	801
Tai Mei Tuk Water Sports Centre	Cleansing	Shiny Glory Services Limited	1/1/2022	31/12/2024	2.18	5
Chong Hing Water Sports Centre and Wong Shek Water Sports Centre	Cleansing	Waihong Environmental Services Limited	1/1/2022	31/12/2024	4.79	9
Leisure venues in Sai Kung District	Cleansing	Baguio Cleaning Services Co. Ltd.	1/3/2022	28/2/2025	173.73	214
Leisure venues in North District and Sha Tin District	Cleansing	Nixon Cleaning Company Limited	1/3/2022	28/2/2025	333.35	543
Stanley Municipal Services Building	Cleansing	Waihong Environmental Services Limited	1/4/2022	31/3/2025	4.29	3
Quarry Bay Municipal Services Building	Security	Sky Wise Services Management Limited	1/4/2019	31/3/2022	5.23	13
Siu Sai Wan Complex	Security	Sky Wise Services Management Limited	1/5/2019	30/4/2022	6.35	16
Hong Kong Film Archive and its stores	Security	Sky Wise Services Management Limited	1/5/2019	30/4/2022	6.63	24
Flagstaff House Museum of Tea Ware and the K. S. Lo Gallery	Security	Security Cares Consultancy Ltd.	1/5/2019	30/4/2022	5.12	17
Tseung Kwan O Public Library and Tiu Keng Leng Public Library, Tung	Security	Professional Security Services Ltd.	1/8/2019	31/7/2022	12.98	28

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Chung Public Library and City Hall Public Library						
Kowloon Public Library, Ma On Shan Public Library, Yuen Chau Kok Public Library and Sha Tin Public Library, Ping Shan Tin Shui Wai Public Library, common areas of Ping Shan Tin Shui Wai Leisure and Cultural Building, Yuen Long Public Library, common areas of Yuen Long Leisure and Cultural Building, Tuen Mun Public Library and Tsuen Wan Public Library	Security	Sky Wise Services Management Limited	1/8/2019	31/7/2022	36.82	139
Ko Shan Theatre and Ko Shan Theatre New Wing	Security	Sky Wise Services Management Limited	1/10/2019	30/9/2022	14.21	31
Hong Kong Coliseum and Queen Elizabeth Stadium	Security	Sky Wise Services Management Limited	1/12/2019	30/11/2022	8.67	22
Un Chau Street Municipal Services Building	Security	Sky Wise Services Management Limited	1/12/2019	30/11/2022	2.14	8
Wang Kwong Road Vehicle Servicing Area of the Leisure and Cultural Services Department	Security	Sky Wise Services Management Limited	1/1/2020	31/12/2022	4.83	12
Sai Wan Ho Municipal Services Building	Security	Sky Wise Services Management Limited	1/3/2020	28/2/2023	6.33	26
Leisure venues in Central and Western District	Security	Guard Able Limited	1/5/2020	30/4/2023	82.05	223

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Hong Kong Stadium	Security	Guard Alliance Ltd.	1/5/2020	30/4/2023	24.65	117
Leisure venues in Kowloon City District	Security	Professional Security Services Ltd.	1/5/2020	30/4/2023	78.30	129
Leisure venues in Kwai Tsing District, Tsuen Wan District, Yuen Long District, North District and Tai Po District	Security	Professional Security Services Ltd.	1/5/2020	30/4/2023	244.27	411
Leisure venues in Eastern District, Wan Chai District, Southern District, Sham Shui Po District, Yau Tsim Mong District, Wong Tai Sin District and Kwun Tong District	Security	Sky Wise Services Management Limited	1/5/2020	30/4/2023	362.05	917
Leisure venues in Islands District, Tuen Mun District, Sha Tin District and Sai Kung District	Security	Sky Wise Services Management Limited	1/5/2020	30/4/2023	177.16	452
Hong Kong Museum of History	Security	Guard Alliance Ltd.	1/6/2020	31/5/2023	23.21	61
Hong Kong Science Museum and Tuen Mun Store	Security	Professional Security Services Ltd.	1/6/2020	31/5/2023	38.83	59
Kwai Tsing Theatre and Tsuen Wan Town Hall, Sha Tin Town Hall, Tai Po Civic Centre and North District Town Hall, Yuen Long Theatre and Tuen Mun Town Hall	Security	Professional Security Services Ltd.	1/6/2020	31/5/2023	45.61	69
Hong Kong Central Library	Security	Sky Wise Services Management Limited	1/6/2020	31/5/2023	35.03	73

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Hong Kong Museum of Coastal Defence, Lei Cheng Uk Han Tomb Museum, Law Uk Folk Museum and their stores	Security	Sky Wise Services Management Limited	1/6/2020	31/5/2023	28.92	54
Shek Tong Tsui Municipal Services Building	Security	Sky Wise Services Management Limited	1/6/2020	31/5/2023	4.54	17
Lam Tin Complex	Security	Security Cares Consultancy Ltd.	1/6/2020	31/5/2023	6.83	20
Hong Kong Heritage Museum	Security	Security Cares Consultancy Ltd.	1/6/2020	31/5/2023	37.12	94
Hong Kong Space Museum	Security	Security Cares Consultancy Ltd.	1/6/2020	31/5/2023	11.61	41
Leisure and Cultural Services Headquarters	Security	Guard Alliance Ltd.	1/7/2020	30/6/2023	6.33	46
Fa Yuen Street Municipal Services Building	Security	Professional Security Services Ltd.	1/7/2020	30/6/2023	9.44	14
Tai Po Conservation Laboratory	Security	Security Cares Consultancy Ltd.	1/12/2020	1/12/2023	1.71	4
Ap Lei Chau Municipal Services Building	Security	Sunguard Security Co. Limited	1/2/2021	31/1/2024	2.70	9
Lei Yue Mun Municipal Services Building and Shui Wo Street Municipal Services Building	Security	Mainland Services Management Limited	1/7/2021	30/6/2024	10.37	26
Hong Kong Cultural Centre	Security	Guard Alliance Ltd.	16/7/2021	15/7/2024	42.02	102
City Hall	Security	Mainland Services Management Limited	16/7/2021	15/7/2024	13.54	27

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Hong Kong Coliseum and Queen Elizabeth Stadium	Security	Guard Alliance Ltd.	1/11/2021	31/10/2024	25.55	511
Stanley Municipal Services Building	Security	Mainland Services Management Limited	1/12/2021	30/11/2024	4.97	12
Quarry Bay Municipal Services Building	Security	Mainland Services Management Limited	1/4/2022	31/3/2025	7.98	13
Siu Sai Wan Complex	Security	Sky Wise Services Management Limited	1/5/2022	30/4/2025	8.00	16

Procuring department: GPA

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Central & Western and Southern Districts	Property Management Services	Urban Property Management Limited	1/4/2020	31/3/2024	259.80	286
Eastern and Wan Chai Districts	Property Management Services	Savills Property Management Limited	1/4/2020	31/3/2024	316.13	372
Kowloon City (part), Kwun Tong and Wong Tai Sin Districts	Property Management Services	Guardian Property Management Limited	1/4/2020	31/3/2024	253.27	359
Kowloon City (part), Sham Shui Po and Yau Tsim Mong Districts	Property Management Services	Urban Property Management Limited	1/4/2020	31/3/2024	269.63	338
North, Sai Kung, Sha Tin and Tai Po Districts	Property Management Services	Guardian Property Management Limited	1/4/2020	31/3/2024	257.89	408
Kwai Tsing, Tsuen Wan, Tuen Mun, Yuen Long and Islands Districts	Property Management Services	Urban Property Management Limited	1/4/2020	31/3/2024	288.83	415
Central & Western District	Security	ISS Adams Secuforce Limited	3/3/2019	31/3/2022	14.98	22
Central & Western District	Security	ISS Adams Secuforce Limited	1/4/2022	31/3/2026	21.24	22

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Central & Western and Southern Districts	Security	G4S Gurkha Services Ltd.	3/3/2019	31/3/2022	15.25	18
Central & Western and Southern Districts	Security	China Overseas Property Services Limited	1/4/2022	31/3/2026	22.09	18
Hong Kong-Zhuhai-Macao Bridge Hong Kong Port	Management, Operation and Maintenance	Guardian Property Management Limited	29/12/2017	28/6/2022	607.15	360

Procuring department: **HD**

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Tuen Mun & Yuen Long Region	Cleansing	Hong Shing HK Clean Co	1/8/2020	31/7/2022	13.09	34
Tuen Mun & Yuen Long Region	Cleansing	Lok Kwan Social Service	1/12/2021	30/11/2022	2.85	5
Tuen Mun & Yuen Long Region	Cleansing	Sunny Cleansing Co	1/11/2021	31/10/2023	9.87	22
Tuen Mun & Yuen Long Region	Cleansing	Creative Property Services Consultants Limited	1/12/2021	30/11/2023	10.32	23
Tuen Mun & Yuen Long Region	Cleansing	Pioneer Management Ltd.	1/12/2021	30/11/2023	12.88	29
Tuen Mun & Yuen Long Region	Cleansing	Sun Lee Cleansing Company Limited	1/1/2022	31/12/2023	6.31	13
Tuen Mun & Yuen Long Region	Cleansing	Talent Match Limited	1/1/2022	31/12/2023	17.28	42
Tuen Mun & Yuen Long Region	Cleansing	Sun Lee Cleansing Company Limited	1/1/2022	31/12/2023	25.05	51
Tuen Mun & Yuen Long Region	Cleansing	Sun Lee Cleansing Company Limited	1/1/2022	31/12/2023	12.97	27
Tuen Mun & Yuen Long Region	Cleansing	Ying Wah Cleaning Service Limited	1/2/2022	31/1/2024	19.17	46
Tuen Mun & Yuen Long Region	Cleansing	Sunny Cleansing Co	1/4/2022	31/3/2024	11.84	25
Tuen Mun & Yuen Long Region	Cleansing	Chun Wui Kee Company Limited	1/4/2022	31/3/2024	15.08	33

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Kowloon West & Sai Kung Region	Cleansing	Kai Fat Cleaning Co	1/5/2020	30/4/2022	5.97	16
Kowloon West & Sai Kung Region	Cleansing	Sun Lee Cleansing Company Limited	1/11/2020	31/10/2022	10.32	22
Kowloon West & Sai Kung Region	Cleansing	Nice Property Management Limited	1/11/2020	31/10/2022	5.92	15
Kowloon West & Sai Kung Region	Cleansing	Lapco Service Limited	1/12/2020	30/11/2022	4.27	8
Kowloon West & Sai Kung Region	Cleansing	Yee Tai Cleaning Co	1/3/2021	28/2/2023	16.87	47
Kowloon West & Sai Kung Region	Cleansing	Li Hing Environmental Services Co. Limited	1/11/2021	31/10/2023	17.45	40
Kowloon West & Sai Kung Region	Cleansing	Sunbase Environmental Hygiene Limited	1/11/2021	31/10/2023	20.59	41
Kowloon West & Sai Kung Region	Cleansing	Sunny Cleansing Co	1/11/2021	31/10/2023	10.79	26
Kowloon West & Sai Kung Region	Cleansing	Yee Tai Cleaning Co	1/12/2021	30/11/2023	16.64	44
Kowloon West & Sai Kung Region	Cleansing	Yee Hop Cleaning Co	1/4/2022	31/3/2024	21.92	56
Kowloon West & Sai Kung Region	Cleansing	Waihong Environmental Services Limited	1/9/2020	31/8/2023	21.69	64
Kowloon West & Sai Kung Region	Cleansing	King's Cleaning Company Limited	1/6/2020	1/12/2022	1.01	2
Kowloon West & Sai Kung Region	Cleansing	New Method Cleaning Services Ltd.	1/9/2019	31/8/2022	1.05	2

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/security worker involved
Tai Po, North & Shatin Region	Cleansing	Creative Property Services Consultants Limited	1/1/2021	31/12/2022	13.78	37
Tai Po, North & Shatin Region	Cleansing	Lapco Service Limited	11/4/2021	10/4/2023	33.16	90
Tai Po, North & Shatin Region	Cleansing	Yee Hop Cleaning Co	1/1/2022	31/12/2023	8.37	20
Tai Po, North & Shatin Region	Cleansing	Talent Match Limited	1/1/2022	31/12/2023	10.84	27
Tai Po, North & Shatin Region	Cleansing	Chun Wui Kee Company Limited	1/5/2020	30/4/2022	16.41	39
Tai Po, North & Shatin Region	Cleansing	Yee Hop Cleaning Co	1/1/2021	31/12/2022	18.62	49
Kowloon East Region	Cleansing	Kai Fat Cleaning Co	1/5/2020	30/4/2022	6.44	20
Kowloon East Region	Cleansing	Hong Yee Cleaning Co	1/5/2020	30/4/2022	12.48	37
Kowloon East Region	Cleansing	Chun Wui Kee Company Limited	1/5/2020	30/4/2022	7.52	19
Kowloon East Region	Cleansing	Li Hing Environmental Services Co. Limited	18/6/2020	17/6/2022	11.52	26
Kowloon East Region	Cleansing	Hong Shing HK Clean Co	1/10/2020	30/9/2022	9.43	27
Kowloon East Region	Cleansing	Yee Tai Cleaning Co	1/4/2021	31/3/2023	11.77	32
Kowloon East Region	Cleansing	Chun Wui Kee Company Limited	12/6/2021	11/6/2023	23.63	58

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Kowloon East Region	Cleansing	Yee Tai Cleaning Co	1/1/2022	31/12/2023	20.61	47
Kowloon East Region	Cleansing	Sunny Cleansing Co	1/1/2022	31/12/2023	7.32	16
Kowloon East Region	Cleansing	Sun Lee Cleansing Company Limited	1/1/2022	31/12/2023	12.09	29
Kowloon East Region	Cleansing	Sun Lee Cleansing Company Limited	1/1/2022	31/12/2023	20.81	45
Hong Kong Island & Islands Region	Cleansing	Easy Cleaning & Pest Control Services Limited	22/4/2021	21/4/2024	0.47	1
Hong Kong Island & Islands Region	Cleansing	Li Hing Environmental Services Co. Limited	1/5/2020	30/4/2022	12.99	27
Hong Kong Island & Islands Region	Cleansing	Hong Kong Commercial Cleaning Services Limited	1/6/2020	31/5/2022	20.15	47
Hong Kong Island & Islands Region	Cleansing	Sun Lee Cleansing Company Limited	1/11/2020	31/10/2022	11.39	26
Hong Kong Island & Islands Region	Cleansing	Sunny Cleansing Co	1/12/2020	30/11/2022	13.59	34
Hong Kong Island & Islands Region	Cleansing	Hong Kong Commercial Cleaning Services Limited	1/11/2021	31/10/2023	14.59	36
Hong Kong Island & Islands Region	Cleansing	Chun Wui Kee Company Limited	1/12/2021	30/11/2023	5.86	12
Hong Kong Island & Islands Region	Cleansing	Sunny Cleansing Co	1/1/2022	31/12/2023	25.77	61
Hong Kong Island & Islands Region	Cleansing	Li Hing Environmental Services Co. Limited	1/1/2022	31/12/2023	14.39	29

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Hong Kong Island & Islands Region	Cleansing	Sunny Cleansing Co	1/1/2022	31/12/2023	19.33	41
Hong Kong Island & Islands Region	Cleansing	Chun Wui Kee Company Limited	1/3/2022	29/2/2024	3.33	7
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Cleansing	Ying Wah Cleaning Service Limited	1/1/2021	31/12/2022	18.47	48
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Cleansing	Ying Wah Cleaning Service Limited	1/1/2021	31/12/2022	8.82	26
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Cleansing	Man Shun Hong Kong & Kln. Cleaning Company Limited	1/11/2021	31/10/2023	9.53	22
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Cleansing	Sunny Cleansing Co	1/1/2022	31/12/2023	19.11	49
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Cleansing	Hong Yee Cleaning Co	1/11/2020	31/10/2022	15.79	42
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Cleansing	Ying Wah Cleaning Service Limited	1/12/2020	30/11/2022	10.11	28
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Cleansing	Creative Property Services Consultants Limited	1/1/2021	31/12/2022	12.74	33

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Cleansing	Hong Kong Commercial Cleaning Services Limited	1/11/2021	31/10/2023	22.97	63
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Cleansing	Ying Wah Cleaning Service Limited	1/1/2022	31/12/2023	6.76	20
Kwai Chung Region	Cleansing	Chun Wui Kee Company Limited	1/5/2020	30/4/2022	36.55	78
Kwai Chung Region	Cleansing	Ying Wah Cleaning Service Limited	1/1/2021	31/12/2022	12.68	34
Kwai Chung Region	Cleansing	Ying Wah Cleaning Service Limited	1/1/2021	31/12/2022	13.90	37
Kwai Chung Region	Cleansing	Hong Kong Commercial Cleaning Services Limited	1/11/2021	31/10/2023	18.88	42
Kwai Chung Region	Cleansing	Hong Yee Cleaning Co	1/11/2021	31/10/2023	13.31	34
Kwai Chung Region	Cleansing	Hong Yee Cleaning Co	1/4/2022	31/3/2024	7.21	20
Tuen Mun & Yuen Long Region	Security	Guard City Limited	1/8/2020	31/7/2022	38.96	71
Tuen Mun & Yuen Long Region	Security	Creative Property Services Consultants Limited	1/12/2020	30/11/2022	20.06	31
Tuen Mun & Yuen Long Region	Security	Guard City Limited	1/2/2022	31/1/2024	29.82	49
Tuen Mun & Yuen Long Region	Security	Creative Property Services Consultants Limited	1/8/2020	31/7/2022	30.46	56
Tuen Mun & Yuen Long Region	Security	Unimax Property Consultancy Limited	1/10/2020	30/9/2022	40.06	80
Tuen Mun & Yuen Long Region	Security	Unimax Property Consultancy Limited	1/10/2020	30/9/2022	23.54	47

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Tuen Mun & Yuen Long Region	Security	Sunguard Security Co. Limited	1/1/2021	31/12/2022	13.12	22
Tuen Mun & Yuen Long Region	Security	Unimax Property Consultancy Limited	1/1/2021	31/12/2022	17.06	28
Tuen Mun & Yuen Long Region	Security	Unimax Property Consultancy Limited	1/1/2021	31/12/2022	28.18	55
Tuen Mun & Yuen Long Region	Security	Kai Fu Property Services Company Limited	1/1/2022	31/12/2023	23.66	39
Kowloon West & Sai Kung Region	Security	Onward Security Company Limited	1/4/2020	31/3/2022	28.62	50
Kowloon West & Sai Kung Region	Security	Creative Property Services Consultants Limited	1/8/2020	31/7/2022	26.02	48
Kowloon West & Sai Kung Region	Security	Tonwell Security Limited	1/11/2020	31/10/2022	15.54	29
Kowloon West & Sai Kung Region	Security	Hong Kong Guards Ltd	1/11/2020	31/10/2022	45.14	89
Kowloon West & Sai Kung Region	Security	Unimax Property Consultancy Limited	1/11/2020	31/10/2022	11.08	19
Kowloon West & Sai Kung Region	Security	Onward Security Company Limited	1/12/2020	30/11/2022	8.74	13
Kowloon West & Sai Kung Region	Security	Hong Kong Wah Kiu (Overseas) Services Limited	1/8/2021	31/7/2023	17.80	39
Kowloon West & Sai Kung Region	Security	Hong Kong Wah Kiu (Overseas) Services Limited	1/8/2021	31/7/2023	12.40	25
Kowloon West & Sai Kung Region	Security	Unimax Property Consultancy Limited	1/11/2021	31/10/2023	34.10	64

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Kowloon West & Sai Kung Region	Security	Hong Nin Security Company Limited	1/12/2021	30/11/2023	26.42	48
Kowloon West & Sai Kung Region	Security	Sun Fook Kong Housing Services Limited	1/3/2021	29/2/2024	27.96	46
Tai Po, North & Shatin Region	Security	Hong Kong Wah Kiu (Overseas) Services Limited	1/3/2021	28/2/2023	14.70	28
Tai Po, North & Shatin Region	Security	Guard City Limited	1/3/2021	28/2/2023	26.42	56
Tai Po, North & Shatin Region	Security	Creative Property Services Consultants Limited	1/3/2021	28/2/2023	35.40	71
Tai Po, North & Shatin Region	Security	Hong Kong Guards Ltd	11/4/2021	10/4/2023	47.82	94
Tai Po, North & Shatin Region	Security	Hong Kong Wah Kiu (Overseas) Services Limited	1/3/2022	29/2/2024	33.52	68
Tai Po, North & Shatin Region	Security	Hong Kong Wah Kiu (Overseas) Services Limited	1/3/2022	29/2/2024	34.54	72
Kowloon East Region	Security	Creative Property Services Consultants Limited	1/4/2020	31/3/2022	14.64	24
Kowloon East Region	Security	Guard City Limited	1/4/2020	31/3/2022	21.30	41
Kowloon East Region	Security	Creative Property Services Consultants Limited	1/4/2020	31/3/2022	20.20	34
Kowloon East Region	Security	Creative Property Services Consultants Limited	1/4/2020	31/3/2022	32.62	59
Kowloon East Region	Security	Kai Fu Property Services Company Limited	1/6/2020	31/5/2022	22.62	45

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Kowloon East Region	Security	Guard City Limited	1/6/2020	31/5/2022	25.98	53
Kowloon East Region	Security	Nice Property Management Limited	18/6/2020	17/6/2022	16.50	26
Kowloon East Region	Security	Creative Property Services Consultants Limited	1/10/2020	30/9/2022	21.16	39
Kowloon East Region	Security	Nice Property Management Limited	1/10/2020	30/9/2022	23.36	42
Kowloon East Region	Security	Nice Property Management Limited	1/10/2021	30/9/2023	39.20	77
Kowloon East Region	Security	Tonwell Security Limited	1/10/2021	30/9/2023	34.94	58
Hong Kong Island & Islands Region	Security	Hong Kong Guards Ltd	1/5/2020	30/4/2022	26.22	50
Hong Kong Island & Islands Region	Security	Unimax Property Consultancy Limited	1/7/2020	30/6/2022	32.04	60
Hong Kong Island & Islands Region	Security	Unimax Property Consultancy Limited	1/7/2020	30/6/2022	15.40	24
Hong Kong Island & Islands Region	Security	Unimax Property Consultancy Limited	1/7/2020	30/6/2022	22.00	40
Hong Kong Island & Islands Region	Security	Unimax Property Consultancy Limited	1/1/2021	31/12/2022	17.54	29
Hong Kong Island & Islands Region	Security	Creative Property Services Consultants Limited	1/1/2021	31/12/2022	29.56	53
Hong Kong Island & Islands Region	Security	Hong Kong Guards Ltd	1/10/2021	30/9/2023	19.26	36

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Hong Kong Island & Islands Region	Security	Unimax Property Consultancy Limited	1/1/2022	31/12/2023	6.60	7
Hong Kong Island & Islands Region	Security	Creative Property Services Consultants Limited	1/1/2022	31/12/2023	11.20	19
Hong Kong Island & Islands Region	Security	Hong Kong Guards Ltd	1/1/2022	31/12/2023	20.32	37
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Security	Creative Property Services Consultants Limited	1/10/2020	30/9/2022	23.46	42
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Security	Creative Property Services Consultants Limited	1/10/2021	30/9/2023	43.28	90
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Security	Tonwell Security Limited	1/1/2022	31/12/2023	35.30	61
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Security	Guard City Limited	1/1/2022	31/12/2023	19.00	35
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Security	Hong Nin Security Company Limited	1/5/2020	30/4/2022	31.80	54
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Security	Hong Kong Guards Ltd	1/6/2020	31/5/2022	30.36	55

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Security	Nice Property Management Limited	1/1/2021	31/12/2022	24.96	55
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Security	Hong Kong Guards Ltd	1/1/2021	31/12/2022	33.88	63
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Security	Unimax Property Consultancy Limited	1/1/2021	31/12/2022	10.20	15
Kwai Chung Region	Security	Creative Property Services Consultants Limited	1/10/2020	30/9/2022	59.94	101
Kwai Chung Region	Security	Unimax Property Consultancy Limited	1/11/2020	31/10/2022	24.48	44
Kwai Chung Region	Security	Onward Security Company Limited	1/1/2021	31/12/2022	12.32	20
Kwai Chung Region	Security	Nice Property Management Limited	1/1/2021	31/12/2022	21.18	38
Kwai Chung Region	Security	Nice Property Management Limited	1/1/2021	31/12/2022	33.82	66
Kwai Chung Region	Security	Guard City Limited	1/1/2021	31/12/2022	20.30	37
Tai Po, North & Shatin Region	Property Services	Creative Property Services Consultants Limited	1/4/2018	31/3/2023	198.58	149
Tai Po, North & Shatin Region	Property Services	Easy Living Consultant Limited	1/8/2018	30/6/2023	100.07	85
Tai Po, North & Shatin Region	Property Services	China Overseas Property Services Limited	1/6/2019	31/3/2024	86.33	63
Tai Po, North & Shatin Region	Property Services	Kai Fu Property Services Company Limited	1/5/2019	31/3/2024	86.76	55

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/security worker involved
Tai Po, North & Shatin Region	Property Services	Creative Property Services Consultants Limited	1/1/2020	31/12/2022	136.51	119
Tai Po, North & Shatin Region	Property Services	Creative Property Services Consultants Limited	1/4/2020	31/3/2025	224.57	132
Tai Po, North & Shatin Region	Property Services	China Overseas Property Services Limited	1/4/2020	31/3/2023	100.21	75
Tai Po, North & Shatin Region	Property Services	Funing Property Management Ltd.	1/1/2021	31/12/2023	157.35	155
Tai Po, North & Shatin Region	Property Services	China Overseas Property Services Limited	1/4/2021	31/3/2026	179.01	94
Tai Po, North & Shatin Region	Property Services	China Overseas Property Services Limited	1/4/2021	31/3/2026	254.57	146
Tai Po, North & Shatin Region	Property Services	Good Excel Property Consultants Ltd.	1/1/2022	31/12/2026	191.31	130
Tai Po, North & Shatin Region	Property Services	Good Excel Property Consultants Ltd.	1/1/2022	31/12/2024	104.98	82
Tai Po, North & Shatin Region	Property Services	Creative Property Services Consultants Limited	1/1/2022	31/12/2024	139.40	128
Tai Po, North & Shatin Region	Property Services	Kai Fu Property Services Company Limited	1/1/2022	31/12/2024	78.12	56
Tuen Mun & Yuen Long Region	Property Services	Easy Living Consultant Limited	1/7/2017	30/6/2022	240.12	183
Tuen Mun & Yuen Long Region	Property Services	Modern Living Property Management Ltd.	1/4/2019	31/3/2022	145.59	162
Tuen Mun & Yuen Long Region	Property Services	Kai Fu Property Services Company Limited	1/4/2022	31/3/2025	185.38	162

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Tuen Mun & Yuen Long Region	Property Services	Pioneer Management Ltd.	1/12/2019	30/11/2022	180.60	125
Tuen Mun & Yuen Long Region	Property Services	Kai Fu Property Services Company Limited	1/4/2020	31/3/2025	151.68	75
Tuen Mun & Yuen Long Region	Property Services	Modern Living Property Management Ltd.	1/7/2020	30/6/2023	257.29	197
Tuen Mun & Yuen Long Region	Property Services	China Overseas Property Services Limited	1/10/2020	30/9/2023	161.84	103
Tuen Mun & Yuen Long Region	Property Services	Unimax Property Consultancy Limited	1/1/2021	31/12/2025	91.04	53
Tuen Mun & Yuen Long Region	Property Services	Nice Property Management Limited	1/1/2022	31/12/2026	321.29	200
Tuen Mun and Shatin Region	Property Services	Creative Property Services Consultants Limited	1/1/2021	31/12/2022	30.26	42
Kowloon West & Sai Kung Region	Property Services	Good Excel Property Consultants Ltd.	1/4/2018	31/3/2023	281.23	177
Kowloon West & Sai Kung Region	Property Services	Nice Property Management Limited	1/8/2018	30/6/2023	81.49	54
Kowloon West & Sai Kung Region	Property Services	Nice Property Management Limited	1/12/2019	30/11/2022	291.00	224
Kowloon West & Sai Kung Region	Property Services	Easy Living Consultant Limited	1/12/2019	30/11/2022	131.56	108
Kowloon West & Sai Kung Region	Property Services	Modern Living Property Management Ltd.	1/4/2020	31/3/2023	222.18	177
Kowloon West & Sai Kung Region	Property Services	China Overseas Property Services Limited	1/1/2021	31/12/2025	331.81	194

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Kowloon West & Sai Kung Region	Property Services	Pioneer Management Ltd.	1/4/2021	31/3/2026	367.22	220
Kowloon West & Sai Kung Region	Property Services	Good Yield Property Management Ltd.	1/10/2021	30/9/2024	132.86	103
Kowloon West & Sai Kung Region	Property Services	Nice Property Management Limited	1/1/2022	31/12/2026	314.00	195
Kowloon West & Sai Kung Region	Property Services	Sun Fook Kong Housing Services Limited	1/11/2019	31/3/2023	31.13	68
Kowloon East Region	Property Services	Kai Fu Property Services Company Limited	1/4/2018	31/3/2023	102.39	62
Kowloon East Region	Property Services	Creative Property Services Consultants Limited	1/7/2018	30/6/2023	303.24	190
Kowloon East Region	Property Services	Kai Fu Property Services Company Limited	1/1/2019	31/12/2023	330.10	200
Kowloon East Region	Property Services	Easy Living Consultant Limited	1/4/2019	31/3/2024	305.40	194
Kowloon East Region	Property Services	Nice Property Management Limited	1/11/2019	30/9/2022	329.73	272
Kowloon East Region	Property Services	Good Excel Property Consultants Ltd.	1/7/2020	30/6/2025	209.02	136
Kowloon East Region	Property Services	Good Excel Property Consultants Ltd.	1/1/2021	31/12/2023	169.95	141
Kowloon East Region	Property Services	Easy Living Consultant Limited	1/7/2021	30/6/2024	97.35	95
Kowloon East Region	Property Services	Creative Property Services Consultants Limited	1/10/2021	30/9/2024	203.11	191

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Kowloon East Region	Property Services	Easy Living Consultant Limited	1/1/2022	31/12/2026	202.97	128
Hong Kong Island & Islands Region	Property Services	Good Excel Property Consultants Ltd.	1/1/2017	31/12/2022	87.38	57
Hong Kong Island & Islands Region	Property Services	Sunbase International Properties Management Limited	1/8/2018	30/6/2023	78.16	66
Hong Kong Island & Islands Region	Property Services	Sunbase International Properties Management Limited	1/12/2019	30/11/2022	98.14	90
Hong Kong Island & Islands Region	Property Services	Modern Living Property Management Ltd.	1/4/2020	31/3/2023	277.75	212
Hong Kong Island & Islands Region	Property Services	China Overseas Property Services Limited	1/7/2020	30/6/2023	297.37	233
Hong Kong Island & Islands Region	Property Services	Modern Living Property Management Ltd.	1/10/2020	30/9/2023	131.57	89
Hong Kong Island & Islands Region	Property Services	Creative Property Services Consultants Limited	1/7/2021	30/6/2024	72.23	72
Hong Kong Island & Islands Region	Property Services	Creative Property Services Consultants Limited	1/1/2022	31/12/2026	143.10	70
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	China Overseas Property Services Limited	21/9/2019	20/9/2022	68.12	73
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	Creative Property Services Consultants Limited	1/10/2017	30/9/2022	207.97	137

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	Creative Property Services Consultants Limited	1/12/2019	30/11/2022	131.76	97
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	Good Excel Property Consultants Ltd.	1/4/2020	31/3/2023	149.68	153
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	Easy Living Consultant Limited	1/7/2020	30/6/2023	167.79	155
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	Pioneer Management Ltd.	1/1/2021	31/12/2023	103.45	77
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	Easy Living Consultant Limited	1/1/2021	31/12/2023	180.75	154
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	Easy Living Consultant Limited	1/1/2022	31/12/2024	171.52	174
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	Pioneer Management Ltd.	1/1/2022	31/12/2024	253.10	240
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Property Services	Pioneer Management Ltd.	1/1/2022	31/12/2024	173.88	156
Kwai Chung Region	Property Services	Nice Property Management Limited	1/1/2021	31/12/2022	34.14	51

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Kwai Chung Region	Property Services	Good Excel Property Consultants Ltd.	1/1/2019	31/12/2023	273.72	176
Kwai Chung Region	Property Services	Modern Living Property Management Ltd.	1/11/2019	30/9/2022	334.90	337
Kwai Chung Region	Property Services	Creative Property Services Consultants Limited	1/1/2021	31/12/2023	163.26	146
Kwai Chung Region	Property Services	Sunbase International Properties Management Limited	1/8/2021	31/3/2024	5.48	5
Kwai Chung Region	Property Services	Creative Property Services Consultants Limited	16/6/2021	15/9/2024	9.47	7
Tai Po, North & Shatin Region	Shopping Centre	China Overseas Property Services Limited	1/11/2019	31/10/2023	54.50	39
Tai Po, North & Shatin Region	Shopping Centre	China Overseas Property Services Limited	3/8/2020	2/8/2022	16.16	26
Tai Po, North & Shatin Region	Shopping Centre	Sunbase International Properties Management Limited	30/8/2021	29/8/2023	26.02	34
Tuen Mun & Yuen Long Region	Shopping Centre	Sunbase International Properties Management Limited	12/10/2018	11/10/2022	18.33	9
Tuen Mun & Yuen Long Region	Shopping Centre	Creative Property Services Consultants Limited	1/11/2019	31/10/2023	24.21	14
Kowloon West & Sai Kung Region	Shopping Centre	Pacific Extend Properties Management Limited	1/4/2018	31/3/2022	33.68	26
Kowloon West & Sai Kung Region	Shopping Centre	Pacific Extend Properties Management Limited	1/9/2020	31/8/2022	28.07	36
Kowloon West & Sai Kung Region	Shopping Centre	China Overseas Property Services Limited	27/10/2020	26/10/2022	13.27	14

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Kowloon West & Sai Kung Region	Shopping Centre	China Overseas Property Services Limited	29/3/2021	28/3/2023	6.59	5
Kowloon West & Sai Kung Region	Shopping Centre	Chevalier Property Management Limited	1/10/2021	30/9/2023	19.92	27
Kowloon East Region	Shopping Centre	Hong Yip Service Company Ltd.	1/7/2020	30/6/2022	85.57	110
Kowloon East Region	Shopping Centre	Creative Property Services Consultants Limited	12/6/2021	11/6/2023	13.81	19
Hong Kong Island & Islands Region	Shopping Centre	Pacific Extend Properties Management Limited	1/9/2018	31/8/2022	27.82	21
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Shopping Centre	Pacific Extend Properties Management Limited	1/4/2020	31/3/2022	24.68	51
Kwai Chung Region	Shopping Centre	Nice Property Management Limited	1/6/2018	31/5/2022	36.72	29
Tai Po, North & Shatin Region	Carpark	Yue Xiu APT Parking Limited	1/7/2020	30/6/2023	65.77	76
Tuen Mun & Yuen Long Region	Carpark	Yue Xiu APT Parking Limited	1/7/2020	30/6/2023	57.44	66
Kowloon West & Sai Kung Region	Carpark	Yue Xiu APT Parking Limited	1/7/2019	30/6/2022	71.31	88
Kowloon East Region	Carpark	Wilson Parking (Holdings) Ltd	1/7/2019	30/6/2022	115.36	134
Hong Kong Island & Islands Region	Carpark	Yue Xiu APT Parking Limited	1/7/2019	30/6/2022	78.12	107

Service district	Type of contract	Name of contractor	Contract commencement date	Contract end date	Contract value (\$ million)	No. of cleansing/ security worker involved
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Carpark	Wilson Parking (Holdings) Ltd	1/7/2017	30/6/2022	192.57	157

**Cleansing and security-related service contracts for which tenders are being invited by FEHD, LCSD, GPA and HD
(as at 11 March 2022)**

Procuring department: FEHD

Service district	Type of contract	Estimated contract commencement date	Estimated contract end date	Estimated no. of cleansing/ security worker involved
Yau Tsim District	Cleansing	01/5/2022	30/4/2025	355
Mong Kok District	Cleansing	01/6/2022	31/5/2027	One cleansing worker shall be provided to each Waste Collection Vehicle (WCV) and the number of WCV is to be proposed by tenderers
Wan Chai District	Cleansing	01/7/2022	30/6/2027	One cleansing worker shall be provided to each Waste Collection Vehicle (WCV) and the number of WCV is to be proposed by tenderers
Sha Tin District	Cleansing	01/7/2022	30/6/2025	412
Islands District	Cleansing	01/7/2022	30/6/2025	218
Central & Western District	Cleansing	01/7/2022	30/6/2025	260
Yuen Long District	Cleansing	01/7/2022	30/6/2025	579
Sai Kung District	Cleansing	01/7/2022	30/6/2025	388
Islands District	Cleansing	01/8/2022	30/11/2025	7
Cross Districts	Cleansing	01/8/2022	31/7/2027	One cleansing worker shall be provided to each Waste Collection Vehicle (WCV) and the number of WCV is to be proposed by tenderers
Tai Po District	Cleansing	01/8/2022	31/7/2025	335
Eastern District	Security	01/6/2022	31/5/2025	14
Cross Districts	Security	01/6/2022	31/5/2025	51

Procuring department: LCSD

Service district	Type of contract	Estimated contract commencement date	Estimated contract end date	Estimated no. of cleansing/ security worker involved
Siu Sai Wan Complex	Cleansing	1/5/2022	30/4/2025	9
Hong Kong Heritage Museum, Sheung Yiu Folk Museum and Hong Kong Railway Museum	Cleansing	1/8/2022	31/7/2025	38
East Kowloon Cultural Centre	Cleansing	1/9/2022	31/8/2025	60
Quarry Bay Municipal Services Building	Cleansing	1/9/2022	31/8/2025	13
Sai Wan Ho Municipal Services Building	Cleansing	1/9/2022	31/8/2025	9
Fa Yuen Street Municipal Services Building and Tai Kok Tsui Municipal Services Building	Cleansing	1/9/2022	30/9/2025	15
Hong Kong Film Archive, its Wang Cheong Building Store and Harbour Industrial Centre Store, Flagstaff House Museum of Tea Ware and the K.S. Lo Gallery	Security	1/5/2022	30/4/2025	41
Kowloon Public Library, Ma On Shan Public Library, Yuen Chau Kok Public Library, Sha Tin Public Library, Ping Shan Tin Shui Wai Public Library, Yuen Long Public Library, Tseung Kwan O Public Library, Tiu Keng Leng Public Library, Tuen Mun Public Library, Tung Chung Public Library, Tsuen Wan Public Library, Sham Shui Po Public Library, Yau Ma Tei Public Library, City Hall Public Library, Lockhart Road Public Library and Lei King Road Public Library	Security	1/8/2022	31/7/2025	167
East Kowloon Cultural Centre	Security	1/9/2022	31/8/2025	44

Procuring department: GPA

Service district	Type of contract	Estimated contract commencement date	Estimated contract end date	Estimated no. of cleansing/ security worker involved
Hong Kong-Zhuhai-Macao Bridge Hong Kong Port	Management, Operation and Maintenance	29/6/2022	28/6/2026	360
Heung Yuen Wai Boundary Control Point	Management, Operation and Maintenance	29/7/2022	28/7/2026	102

Procuring department: HD

Service district	Type of contract	Estimated contract commencement date	Estimated contract end date	Estimated no. of cleansing/ security worker involved
Tuen Mun & Yuen Long Region	Cleansing	1/8/2022	31/7/2024	34
Kowloon West & Sai Kung Region	Cleansing	1/5/2022	30/4/2024	16
Kowloon East Region	Cleansing	1/5/2022	30/4/2024	20
Kowloon East Region	Cleansing	1/5/2022	30/4/2024	37
Hong Kong Island & Islands Region	Cleansing	1/6/2022	31/5/2024	48
Tuen Mun & Yuen Long Region	Security	1/8/2022	31/7/2024	59
Hong Kong Island & Islands Region	Security	1/5/2022	30/4/2024	50
Tuen Mun & Yuen Long Region	Property Services	1/7/2022	30/6/2027	193
Kowloon West & Sai Kung Region	Shopping Centre	1/4/2022	31/3/2024	26
Kwai Chung Region	Shopping Centre	1/6/2022	31/5/2024	27
Wong Tai Sin, Tsing Yi & Tsuen Wan Region	Carpark	1/7/2022	30/6/2025	144
Kwai Chung Region	Carpark	1/7/2022	30/6/2025	86

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)029

(Question Serial No. 0495)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In response to a question raised by the media, the Financial Secretary stated that the Government had brought back \$25 billion from the Future Fund account to offset part of the deficit in the current financial year. Please inform this Committee of the amount of funds available to be brought back from the Future Fund to cover future expenditure of the Treasury after deducting the amount brought back this year.

Asked by: Hon TSE Wai-chun, Paul (LegCo internal reference no.: 2)

Reply:

This question is not directly related to Head 147.

As at 31 March 2021, the cumulative investment return of the Future Fund was about \$120 billion. After deducting the amount of \$25 billion brought back this year, the cumulative investment return of the Future Fund not yet reflected in the Government's account is at least \$95 billion. As the 2021 audited accounts of the Exchange Fund is not published, the above figure does not take into account the 2021 investment return of the Future Fund.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(Tsy)030****(Question Serial No. 0779)**

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In 2016, the HKSAR Government set up the Future Fund with an amount reaching \$220 billion.

- (1) What were the annual investment returns in the past 5 financial years? What is the latest accumulated balance?
- (2) What is the estimated investment return for the coming year?
- (3) Has the Government set any investment return indicator for the Future Fund?

Asked by: Hon TSE Wai-chun, Paul (LegCo internal reference no.: 1)

Reply:

This question is not directly related to Head 147.

1. The investment return and the composite rate of return of the Future Fund in the past five financial years are set out below:

Financial Year	Investment Return (\$ billion)	Composite Rate of Return (%)
2016-17	10.1	4.5
2017-18	22.7	9.6
2018-19	16.4	6.1
2019-20	24.4	8.7
2020-21	37.1	12.3

According to the Government's consolidated accounts, as at end-March 2021, the balance of the Future Fund is \$224.5 billion which forms part of the fiscal reserves. The cumulative investment return of the Future Fund not yet brought back is entirely retained within the Exchange Fund and it is brought back to the Government's accounts progressively starting from 2021-22 (\$25 billion was brought back in 2021-22).

2. & 3. The Government does not set any specific target on the investment return of the Future Fund.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)031

(Question Serial No. 0780)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The Financial Secretary has mentioned on several occasions that the Budget was under constant revision and “dynamic formulation” in the light of the “dynamic zero infection” policy. Meanwhile, some members of the public have expressed concern to me about the recent waves of emigration and businesses leaving Hong Kong, both of which were hardly addressed in the Policy Address and the Budget.

As pointed out in numerous news commentaries, more than 200 000 residents have departed Hong Kong over the past 12 months. Given that outbound travel was restricted under the pandemic, only a very small portion of them left Hong Kong for reasons other than emigration. According to projections, as many as 1 in every 10 Hong Kong taxpayers will emigrate. Coupled with the fact that global businesses are retreating from Hong Kong, it is projected that the amount of capital outflow in the coming 2 years will reach US\$100 billion. In assessing the financial revenue and formulating economic policies for the coming year, has the Government taken into consideration factors such as waves of emigration as well as capital and global businesses leaving Hong Kong? Is a “dynamic review” in due course necessary?

Asked by: Hon TSE Wai-chun, Paul (LegCo internal reference no.: 3)

Reply:

Having consulted the Office of the Government Economist and the Inland Revenue Department, our reply is as follows:

In preparing the revenue estimates for the Budget, the Government always makes reference to the global and local economic conditions in the past financial year, and takes into account a range of relevant factors such as the working population, changes in the number of taxpayers, corporate earnings, and pay adjustment trends of employees.

For economic policies, the 2022-23 Budget has put forward a series of measures to foster the medium and long-term development of Hong Kong, such as nurturing emerging industries, proactively exploring the vast Mainland market, strengthening economic and trade connections with different parts of the world, making vigorous efforts to create land, allocating resources for training, and stepping up investment promotion. These measures will help increase the attractiveness of Hong Kong to global talents and enterprises.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)032

(Question Serial No. 0781)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is mentioned in paragraph 26 of the Budget Speech that the Government will mobilise all available manpower and resources to contain and stabilise the epidemic. As the HKSAR Government's anti-epidemic expenditures are increasing, I have received a number of calls from the public seeking information on the use of public funds by the Government in combating the epidemic. More concerns and questions have been raised by the public in particular after the announcement of the Budget, some of which relate to the following items mentioned in paragraph 26 of the Budget Speech:

* an additional funding of \$22 billion for the Food and Health Bureau to procure rapid antigen test kits and relevant services;

* an additional funding of \$6 billion for the Department of Health to procure more vaccines as booster doses for the general public;

* an additional funding amounting to \$7 billion for relevant departments to procure anti-epidemic items and services; and

* a further injection of \$12 billion into the Anti-epidemic Fund for the construction of various anti-epidemic facilities.

(1) Please inform this Committee of the amount of public funds spent by the HKSAR Government as anti-epidemic expenditures per year since the outbreak of the COVID-19 epidemic.

(2) Will the Government set out the details of the top 20 items involving the greatest amounts of expenditures of each year (including information such as procured items, prices of services, names of suppliers and declarations of interests)?

(3) For the above additional funding items announced in the Budget, will the Government release information such as the lists of suppliers and service providers involved, procurement procedures, final procurement prices, declarations of interests by suppliers and the experts involved in the formulation of anti-epidemic measures so as to increase transparency in the use of public money and enhance public confidence in the Government's use of public funds in combating the epidemic?

(4) In the past year, the Government adopted the approach of handling special cases with special methods on a number of occasions in procuring anti-epidemic supplies and recruiting staff, such as designating contractors to design and construct isolation facilities and introducing Mainland care staff with high salaries to alleviate the shortage of manpower in residential care homes. Some members of the public worry that the Government will abandon the well-established criteria for procurement and tendering in future. Will the Government explain clearly to the public the criteria and conditions under which contracts will be awarded as an exceptional arrangement, and will it consider assuring the public that it will revert to the well-established tendering and procurement approach after the epidemic to ensure the proper use of public funds?

Asked by: Hon TSE Wai-chun, Paul (LegCo internal reference no.: 6)

Reply:

The above question is not directly related to Head 147.

(1) & (2)

Up to the 2021-22 financial year, government bureaux and departments (B/Ds) have devoted substantial resources for fighting the epidemic, with funding allocations totalling over \$24 billion. The details are as follows:

	\$billion
Procuring vaccines for implementing the COVID-19 Vaccination Programme.	8.4
Providing additional resources to the Department of Health for taking forward various anti-epidemic measures in tackling the COVID-19 outbreak.	5.0
COVID-19 testing-related funding for: <ul style="list-style-type: none"> - meeting the costs for extending the operation of Community Testing Centres and mobile specimen collection stations; - providing tests for staff of public transport operators and cross-boundary goods vehicle drivers; - others, such as providing tests for airport staff. 	2.8
Conducting tests for targeted groups (e.g. staff of Residential Care Homes and Nursing Homes) and procuring personal protective equipments (PPEs) (e.g. masks).	1.9
Establishing and operating the community treatment facility (CTF) in AsiaWorld-Expo for triage of confirmed cases and isolation of patients with mild symptoms who are in stable condition.	1.7
Constructing or converting existing buildings into quarantine centres, temporary quarantine camps or filter mask workshops (e.g. Penny's Bay Quarantine Centre, football pitches, basketball courts, correctional institutions, etc.) in various districts.	1.2
Setting up the Indemnity Fund for Adverse Events Following Immunization with COVID-19 Vaccines to provide compensation for substantiated claims for serious adverse events arising from vaccination.	1.0
Providing treatment and care for COVID-19 patients at temporary hospitals to relieve the pressure on public hospitals.	0.6
Providing funding support to the Hospital Authority to sustain the existing anti-epidemic measures and support frontline healthcare staff.	0.5
Sustaining the operation of the North Lantau Hospital Hong Kong Infection Control Centre.	0.4
Others, such as :- <ul style="list-style-type: none"> - procuring additional PPEs for frontline staff providing services in the CTF and temporary hospitals; - Supporting home quarantine arrangement, operation and enhancement of IT systems supporting online quota booking and health code conversion, and system operation and enhancement of the "LeaveHomeSafe" mobile app; - applying anti-microbial coating in sports centres and cultural venues managed by the Leisure and Cultural Services Department and venues managed by the Home Affairs Department. 	0.7
Total	24.2

As matters concerning the tendering of specific items and the expenditure incurred are dealt with by individual B/Ds, it would be more appropriate for the Controlling Officers concerned to reply separately having regard to specific circumstances.

Apart from the above measures, B/Ds have also implemented various anti-epidemic measures by making use of their existing resources and the Anti-epidemic Fund.

(3) & (4)

The new funding as announced in the Budget can only be used upon the start of a new financial year. It is reckoned that the Controlling Officers concerned can only provide the information requested having regard to specific circumstances after the relevant B/Ds have actually started to expend moneys from the funding.

Nevertheless, it is the Government's procurement policy to encourage more interested bidders to participate in procurement of the stores and services required through fair, open and competitive procedures. The procuring departments should ensure that their procurements are conducted in accordance with relevant policies in a manner that is transparent and accountable to the public. Hong Kong is a signatory to the Agreement on Government Procurement of the World Trade Organization (WTO GPA). When conducting procurements, the Government abides by the principles under the WTO GPA in order to ensure that all suppliers and contractors can participate in biddings in an open and fair manner.

Generally, open bidding should be adopted in government procurement. Procurements without recourse to the normal quotation or tendering procedures in procurement should only be made under exceptional circumstances where it is sufficiently justified to the satisfaction of the procuring departments that open bidding would not be an effective means for obtaining the requisite stores or services. For instance, a department may adopt direct engagement without conducting tendering procedures to expedite the procurement of stores or services from suitable suppliers/contractors if the procurement has to be made within a very tight time frame during the epidemic. Nevertheless, the Controlling Officers concerned should monitor the procurement made under such circumstances, including implementing appropriate measures to safeguard the Government's interests and ensuring that the adoption of direct engagement is in compliance with the relevant exemption clause(s) set out in the WTO GPA (if applicable to the stores or services to be procured).

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)033

(Question Serial No. 0009)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the implementation of the international tax reform proposals drawn up by the Organisation for Economic Co-operation and Development to address base erosion and profit shifting (abbreviated as BEPS 2.0), what are the specific legislative work and timetable of the Government in the coming 3 years? Has the Government assessed the impact of implementing BEPS 2.0 on Hong Kong's business environment and the operating costs of enterprises? If yes, what are the details of the assessment results? If no, what are the reasons?

Asked by: Hon WONG Chun-sek, Edmund (LegCo internal reference no.: 4)

Reply:

We plan to submit a legislative proposal to the Legislative Council in the second half of this year to implement the global minimum effective tax rate and other relevant requirements in accordance with the international consensus. At the same time, we will consider introducing a domestic minimum top-up tax with regard to the large multinational enterprise (MNE) groups with turnover of at least 750 million euros starting from the year of assessment 2024/25 to ensure that their effective tax rates reach the global minimum effective tax rate of 15 per cent so as to safeguard Hong Kong's taxing rights.

The Government has been exchanging views with the affected MNEs on matters relating to the implementation of BEPS 2.0, and reaffirmed that we would preserve the advantages of Hong Kong's tax regime in terms of its simplicity, certainty and transparency, maintain the territorial source principle of taxation as well as minimise the compliance burden on MNEs. The MNEs concerned generally understand that BEPS 2.0 is a new international tax standard and that it is necessary for the Government to implement the relevant measures.

The global minimum effective tax rate under BEPS 2.0 only targets the aforesaid large MNEs and will not affect small and medium-sized enterprises. With more than 130 jurisdictions across the globe going to implement the global minimum effective tax rate, the introduction of a domestic minimum top-up tax which is now under consideration will not increase the overall tax burden of the MNE groups. By and large, the headline tax rate of Hong Kong's profits tax at 16.5 per cent is competitive internationally. Following the implementation of BEPS 2.0, the effectiveness for tax jurisdictions to introduce tax exemption or extremely low preferential tax rate as a means to increase their competitiveness will be reduced in future. Hong Kong will be able to reinforce its competitive advantages under a more level playing field in terms of taxation. Moreover, upon the implementation of BEPS 2.0, the MNEs will focus more on reduction of the compliance burden, and the competitive advantages of Hong Kong's tax regime in terms of simplicity, transparency and certainty will become more prominent.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)034

(Question Serial No. 0671)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: ()

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Miss Cathy CHU)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

We regret to see that some non-permanent residents who have been working hard in Hong Kong for a long time and have actively paid taxes to the government were once again excluded from the distribution of electronic consumption vouchers. These non-permanent residents are not only dedicated constructors and contributors to Hong Kong's economic development, but also an important community who safeguard people's livelihood of Hong Kong. Hard hit by the impacts of the pandemic in this trying time, most of them have been unable to reunite with their families for prolonged time. Still, they are striving to overcome each and every difficulty, and are determined to support Hong Kong in the fight against the pandemic. Will the Government consider issuing the electronic consumption vouchers to some of the non-permanent residents affected by the pandemic under reasonable conditions?

Asked by: Hon YIM Kong (LegCo internal reference no.: 5)

Reply:

It is announced in the Budget the implementation of a new round of Consumption Voucher Scheme (CVS) under which electronic consumption vouchers with a total value of \$10,000 will be disbursed by instalment to each eligible Hong Kong permanent resident and new arrival aged 18 or above. In the CVS launched last year, a new arrival refers to the following two categories of Hong Kong resident:

- (a) a person holding a valid Hong Kong Identity Card or Certificate of Exemption issued by the Commissioner of Registration under the Registration of Persons Regulations (Cap. 177A) who has come to Hong Kong on a Permit for Proceeding to Hong Kong and Macao (commonly known as “One-way Permit”); or
- (b) a person holding a valid Hong Kong Identity Card or Certificate of Exemption issued by the Commissioner of Registration under the Registration of Persons Regulations (Cap. 177A) who has valid permission to remain in Hong Kong as a dependant sponsored by a Hong Kong permanent resident holding a valid locally-issued Hong Kong Permanent Identity Card or Certificate of Exemption.

Under the CVS, an eligible Hong Kong permanent resident will receive the consumption vouchers irrespective of whether he/she has paid tax in Hong Kong. As regards whether payment of tax should be a criterion for inclusion of non-permanent resident in the Scheme, given that it is a new suggestion, we need to study it thoroughly.

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