

Opening remarks by SHA at joint press conference

Following is the transcript of opening remarks by the Secretary for Home Affairs, Mr Tsang Tak-sing, at a joint press conference held at Central Government Offices, Tamar today (July 16):

The Home Affairs Bureau has all along been working closely with NGOs in promoting youth development, including discussions on the provision of youth hostels. We are of the view that housing is a crucial factor in supporting young people to achieve independence. To implement the Chief Executive's Manifesto, in response to the NGOs' plan to build youth hostels at their GIC (Government, Institution or Community) sites, the Government will earmark funds for fully subsidising the construction cost of these hostels. The aim is to supply 3,000 units for youths.

As an initial thinking, the target beneficiaries are mainly working singletons and a small number of married couples aged from 18 to below 35. The income level of a singleton applicant should not exceed the 75th percentile of monthly employment earnings, that is around HK\$17,000, and the limit for a two person household would be twice this level. The total net asset limit of a singleton applicant should not exceed HK\$265,000.

The rental level of these hostel units should not exceed 50 to 60 per cent of the market rent of flats with similar conditions in the nearby areas. The first tenancy agreement should be at least two years, to be renewed for one or two years. But the total tenancy period should not exceed five years so that more youths could be able to benefit under the scheme.

Over the past few years, the Social Enterprise (SE) sector in Hong Kong has achieved considerable development. In his Manifesto, the Chief Executive suggested setting up the Social Enterprise Development Fund. We plan to seek a funding of HK\$500 million from the Lotteries Fund to set up this SE Development Fund. This is designated to release loans to Social Enterprises, or serve as a loan guarantee. We will study the experiences of Microfinance Schemes and liaise with all relevant parties, with a view to enabling SEs to operate successfully and develop healthily according to market principles.

Ends/Monday, July 16, 2012

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