

By hand and by fax at 2840 0569

5 March 2014

Mr John C W TSANG GBM JP
Financial Secretary
25/F Central Government Offices
2 Tim Mei Avenue
Tamar Hong Kong

Dear Mr Tsang

Views on 2014-15 Budget

Further to our submission on 13 February 2014 for the formulation of 2014-15 Budget, the Hong Kong Institution of Engineers (“the HKIE”) would like to provide our further views and opinions for your consideration.

The HKIE supports in general the proposed measures in the Speech on 2014-15 Budget delivered on 26 February 2014. We welcome the Administration’s determination in building an ideal city for the future, allocating over HK\$70 billion for infrastructure expenditure in 2014-15 as well as continuing to support a number of major infrastructure projects on railways, airport development and hospitals etc. We believe the commitment is essential to lay the solid ground for Hong Kong’s long-term development and improve the livelihood of people in society. However, with the escalating construction cost, there should be sufficient supplementary provision to ensure that the planned projects could be delivered timely.

While the HKIE has long been advocating for enhancement of R&D and innovation, we are pleased to note that the Budget has measures to support further development of pillar industries, in particular the Innovation and Technology Industry. We wish to invite the Administration to consider further increasing investment in this area in coming years, and fostering closer R&D collaboration among the public and private sectors with academia and the commercialisation of research outcomes to tie in with the knowledge-based economic development of Hong Kong.

We believe that Hong Kong should further improve strategies in protecting our environment and enhancing Hong Kong to be a livable city. We support the proposed measures in the Budget for investing in waste recycling and treatment infrastructure facilities and harbour area treatment. However, on top of the necessary hardware, we hope that the Administration could also provide more funding to educate and promote to the public on environmental protection.

While we agree that the Administration should be prudent in expenditure, the HKIE hopes that there will be more measures to sooth the burden of the middle class. In this

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connection, and to echo with recent concern on enhancing manpower of Hong Kong, the HKIE suggests the Administration to consider more measures for the purposes, such as providing more relief for taxpayers on supporting children and medical expenses, and increasing allowance for the working adults in pursuing part-time skill-enhancement study/training.

The HKIE shares that we should keep maintaining fiscal stability in the long run and therefore agrees setting up scheme to save for the future. We hope that in the future Budgets more measures to enhance the long-term development of Hong Kong will be raised. Meanwhile, the HKIE is eager to keep close partnership with the Administration to enhance the professional services in Hong Kong and support for the betterment of our future.

Yours sincerely



Ir Raymond CHAN Kin Sek
President
The Hong Kong Institution of Engineers

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