

In light of high inflation in recent years, the Government continued to share the wealth by implementing short-term measures to help the population cope with the hard times. It also gave further financial and policy support to the underprivileged and families with difficulties to support their living.

Long-term social security planning and short-term measures to share wealth

On 12 April, the Executive Council announced the Wealth Partaking Scheme 2012, under which each permanent resident and non-permanent resident received respectively 7,000 patacas and 4,200 patacas. Around 540,000 permanent residents and 70,000 non-permanent residents benefited from the scheme, involving a total of 4.123 billion patacas.

At the same time, the Government raised the minimum subsistence index by 0.6 percent in January and by another five percent on 1 July, with that for a one-person household increased to 3,300 patacas. In addition, the Government took a series of social security measures such as raising the income ceiling for applicants for the Short-term Food Assistance Programme, and increasing the level of special subsidies to the three categories of underprivileged families. In January and September, an extra one-month full subsidy was disbursed to more than 5,000 families who had registered with the Social Welfare Bureau to receive financial assistance. At the end of July, the Old-age Allowance was raised to 6,000 patacas for each eligible senior citizen. Meanwhile, the Government continued to provide financial allowances to eligible low-income, full-time employees. Starting from 1 October, the electricity fee subsidy to each residential household was increased from 180 patacas to 200 patacas per month.

In 2012, the Government waived rent payments for all 7,300 public housing tenants for one year. From 1 September 2012 to 31 August 2013, temporary housing subsidies at a level increased by eight percent were provided to eligible families on the waiting list for public housing. Since its first disbursement in 2008, a total of 223 million patacas of temporary housing subsidies has been offered, helping more than 7,110 families. Moreover, the Government has striven to make the supply of public housing more effective, increase the number of residents who benefit, and loosen the eligibility criteria for elderly households to apply for public housing by amending the Public Housing Application Regulations.

On 13 November, Chief Executive Chui Sai On delivered his fourth Policy Address, and for the first time, eased the pressure on middle-income earners with a tax rebate to support upward mobility for residents. Various temporary subsidies were also provided to alleviate the burden of inflation on all social sectors.

To combat inflation, the Government organised and assisted the food industry to broaden its sources of supply. To maintain stable food prices, an inter-departmental working group on food prices was established to conduct research on the import, wholesaling and retailing of food, and release information on food prices in different districts in a timely manner. A website was also launched jointly by a number of departments to release updated and comprehensive information on food prices.

In regard to long-term social security measures, two years have passed since the law on the Social Security System (Law no. 4/2010) was promulgated, and by the end of 2012, about 60,000 people had received their pensions. The allocation of the Central Provident Fund for 2011 started in July, and it was estimated that about 320,000 residents were eligible to receive the funding. On 10 August, the Government decided to inject a total of 37 billion patacas into the Social Security Fund over the next four years. On 25 September, 6,000 patacas were injected into the Central Provident Fund account of every eligible Macao resident.

However, the Government injection into the Social Security Fund alone is insufficient to maintain a sound social security system. Therefore, on 5 December, the Government proposed to raise the pension contribution and adjust the contribution proportion, aiming to achieve equal contributions by employers and employees within the next four years, to further improve the two-tier social security system.

Improving public hygiene and building a livable city

The newly amended Prevention and Control of Smoking Law entered into force on 1 January 2012, banning smoking in all indoor public places. Through legislation, law enforcement, education and encouraging people to quit smoking, the Government's commitment to building a smoking-free environment was rewarded with a promising start.

The new law penalises the following acts: smoking in prohibited places, selling cigarettes that are not labelled or packaged in accordance with the law, selling tobacco products to people who are under 18 years of age, and not posting anti-smoking signs in public places in accordance with the law. The Health Bureau, the Civic and Municipal Affairs Bureau, the Gaming Inspection and Coordination Committee and the Security Police are responsible for safeguarding the health of local residents and tourists within their purview. By the end of 2012, a total of 8,384 penalty tickets had been issued to violators of the new law. The law was enforced strictly to ensure its deterring effect.

The Government proactively liaised with gaming operators in 2012 to extend the smoking ban to all casinos and allow casinos to apply to designate not more than 50 percent of their floor areas as smoking areas in accordance with the new law. In October, Executive Order 296/2012 - Requirements on Gaming Areas in Casinos, entered in force. All applications from casinos to set up smoking areas must be reviewed cautiously and thoroughly by several government departments. A long-term mechanism for overseeing and inspection has also been established to ensure casinos comply with the requirements of the aforementioned executive order.

Between September and October in 2012, 23 local cases of dengue fever were confirmed. In light of the possibility that the disease might spread in Macao, the Government activated the level-III Civil Protection Master Plan on 26 September. The Civic and Municipal Affairs Bureau and the Health Bureau instantly conducted anti-mosquito operations in the areas within 200 metres of the residential and working places of the patients, which raised public awareness of the need to keep a clean environment and prevent the spread of dengue fever.

As an important part of its social welfare policies, in 2012, the Government made great efforts to develop software and hardware facilities for medical and healthcare development. The

Government expedited the construction of medical service facilities, among which the expansion of the Emergency Services Building of Conde S. Januario Hospital is almost complete. Through transitional measures and comprehensive arrangements, such as strengthening cooperation with not-for-profit medical institutions, medical and healthcare services are ensured in spite of the adjustment of the completion time of the Islands District Medical Complex and the new health centres.

In the second half of 2012, the Health Bureau proposed to create an electronic patient record system to share patient records among different medical institutions in Macao. In the first stage, patients' records of government medical institutions, Kiang Wu Hospital and the University Hospital were compiled. Integrated community wards also started operation in July 2012. In view of economic and social changes, the Health Bureau further strengthened medical and healthcare services for the elderly through the provision of integrated community wards, reorganisation of the triage system for emergency services, extension of service hours of the Chinese medicine, acupuncture and oral healthcare outpatient services, and through the recruitment and training of additional staff. All these played an important part in strengthening the healthcare system of Macao and improving overall social welfare and health protection for local residents.

Continued enhancement of the coverage and quality of education

Since reunification, the Government has continued to increase resource investment in education. By 2012, as well as the 15-year free education policy implemented since 2007 and the gradual increase in the levels of subsidies, the Government also secured improved working conditions for teachers in terms of system, professionalism and resources, to enhance every aspect of education policy.

Regarding tertiary education, on 6 February, the Government promulgated the by-law regarding the stationery allowance for tertiary students for the 2011-2012 academic year (By-law No. 4/2012). Every Macao tertiary student studying in Macao or overseas now receives an allowance of 2,000 patacas upon registration. Over 35,000 students benefited, and the total expenditure involved was about 66 million patacas.



The Government significantly strengthened its support for the development of tertiary education and attached great importance to the fostering of talent in various disciplines. By disbursing allowances to tertiary students studying in Macao and overseas, the Government improved the database of Macao tertiary students, thus securing information about the academic disciplines of tertiary students, and enlarging the network of talent by facilitating liaison between relevant departments and talented individuals based locally and overseas.

At the end of December, the Tertiary Education Services Office announced the building of a

talent database with the information collected during registration for the stationery allowance by tertiary students. Analysis of three aspects, namely the current situation, the demand for and the supply of talent, were carried out to provide references for the Government to formulate policies for tertiary education and other areas. Such information also helped the public, students, parents and various sectors in society to make objective and scientific decisions based on the demand and supply of talent in the future market.

With regard to the reserve and supply of talented individuals, during the period from June to August 2012, the Tertiary Education Services Office conducted a survey of the study and career aspirations of final-year students at Macao tertiary institutions. Together with the usual length of tertiary education programmes and the application rate for the stationery allowance for tertiary students, the Tertiary Education Services Office worked out the number of graduates who would enter the local market in the years ahead. In addition, the Tertiary Education Services Office commissioned several tertiary institutions in Macao to conduct studies of the overall future demand and the demand of specific industries for talent, so as to collect accurate data for the further enhancement of the talent database.

The Government also increased support for students by raising the quota and amount of scholarships offered to postgraduate students and cooperating with relevant departments to make transitional arrangements while adjusting the various scholarships for tertiary students.

Furthermore, the Policy Address also stated clearly that the Tertiary Scholarship Scheme would be further adjusted and improved to ensure that family financial circumstances would not limit the opportunities for young people to pursue tertiary education. To this end, an Executive Order was published on 12 March to increase the quota and amount of student loans and scholarships to benefit more than 10,000 tertiary students starting from the 2012-2013 academic year. Total expenditure on the scheme was about 390 million patacas, an increase of 56 percent.

At the same time, the Government actively promoted legislation relating to Macao's tertiary education system, and began the drafting of relevant regulations to develop the tertiary education system; followed up on the introduction of a joint entrance examination for universities in Macao and coordinated the relevant preparatory task forces to hold discussions. The Government also coordinated with various tertiary institutions to submit information for the compilation of a report on the quality assurance of Macao's tertiary education, which has been submitted to the education authority of Taiwan to seek qualification recognition of more Macao tertiary institutions.

The budget for non-tertiary education reached nearly 4.16 billion patacas in 2012. However, on 24 February, the Government proposed to further increase the free education subsidy per class by 6.1 to 6.9 percent for the 2012-2013 academic year on the plenary meeting of the Non-tertiary Education Council. The total expenditure involved in this proposal increased by 7.2 percent compared with that for the 2011-2012 academic year. Other subsidies were also increased.

In September, the Government further proposed to extend school fee subsidies to cover Macao high school students studying in Zhuhai and Zhongshan, and to organise summer courses on the cultural and social development of Macao for these students, in order to devise policies for the benefit of the people, promote Guangdong-Macao cooperation, as well as work towards the goal of perfecting every aspect of Macao education policies.

These proposed measures were expected to be implemented in the second term of the 2012-2013 academic year. A subsidy of 17,000 patacas per academic year will be credited to the accounts of the parents or schools in Zhuhai for every eligible student. The governments of Macao and Guangdong have held several meetings to discuss relevant details, before deciding to launch a pilot scheme in high schools in Zhuhai and Zhongshan. The numbers of Macao high school students studying in Zhuhai and Zhongshan were estimated at about 500 and 300 respectively.

The Government also progressively implemented policies and measures under Macao's ten-year plan for non-tertiary education 2011-2020, among which the bill on the Framework for Private School Teaching Staff was passed by the Legislative Assembly on 29 February. On 19 March, the Government promulgated the provisions of the bill and announced that it would take effect from the next academic year. The aims of the bill were to secure a quality teaching team and ensure the effectiveness of the non-tertiary education provided by private schools, through upgrading the professional standards of teachers and ensuring their job security.

To support the implementation of the framework, the ranking system for teachers at private schools providing non-tertiary education was introduced and approved by an Executive Order dated 13 August, with retrospective effect from 1 April. On 22 August, another Executive Order was promulgated by the Government to appoint all 13 members of the Teaching Staff Professional Committee, with the Director of the Education and Youth Affairs Bureau as the Chairperson, with school management, teachers, representatives of educators and government officials forming the rest of the committee. Four teacher members and four alternate members were elected by education groups. The major responsibilities of the committee are to draw up a professional code of practice for teaching staff and to define the requirements for the number of professional development hours for teachers.

Following the passing of the Framework for Private School Teaching Staff, professional development subsidies for teaching staff and plans to refine student-teacher ratios were implemented progressively. Attributed to the framework, the number of teaching sessions per teacher per week was reduced and the demand for teaching staff increased in the new academic year. All these helped to create better conditions for healthy development of Macao's education system.

The establishment of the framework also encouraged the education sector to formulate a professional code of practice for teachers, motivate teachers at public and private schools in Macao, promote their professionalism and upgrade their professional standards, as well as help them to gain recognition by the community. After half a year of extensive consultation, the professional code of practice for teachers was officially introduced in November.

Response to demand for public housing and introduction of policies to stabilise property market

The Government was aware of the overheated state of the property market, and put forward a series of policies and strategies in 2012 to meet the policy objective of enabling and encouraging residents to own their home.

In 2012, the Government expedited the construction of public housing, and made an advance

allocation and arrangements for successful applicants to move in gradually. There were around 4,189 completed housing units, with a further 15,071 under construction, a total of 19,260 available units. Under the “post-19,000 units” public housing programme, land had been reserved for the provision of more than 6,000 further units, among which plans were in place for 3,800 units, and relevant tender invitation procedures had also commenced.



In April, the Executive Council published the draft law on the sale of uncompleted residential units, and proposed to establish a system for the pre-sale of uncompleted residential units and the regulation of associated sale and purchase agreements. On 24 May, the Government announced plans for the first public housing projects under the “post-19,000 units” public housing programme at Lot 1, 2, Bairro da Ilha Verde; and on 6 July it introduced the second project at Northeast Road, Taipa.

On 4 June, the Housing Bureau announced the ratio of public housing units to Home-Ownership Scheme housing units under the “post-19,000 units” public housing programme. On 20 August, the sale prices and shortfall repayment ratio of and the pre-sale arrangements for the public housing at Lot 4, Bairro da Ilha Verde were announced, so that families on the waiting list could gradually move into their new homes.

On 12 October, the Government launched a further series of policies and measures, which addressed the housing problem from three perspectives, namely managing demand, increasing supply and improving the market mechanism. Eight measures were formulated in four directions – the loan-to-value ratios for mortgages, taxation, pre-sale of uncompleted flats and increased supply of residential units.

To prevent property speculation by foreign capital, acquisition costs for non-resident flat buyers were increased and restrictions on their taking out mortgages were tightened. The scope of the law on the Special Duty on Transfer of Immovable Property for Residential Purposes was extended to cover shops, offices and parking spaces. On 24 October, an amendment to the law was passed by the Legislative Assembly via an emergency procedure. At the end of the month, new regulations on the special stamp duty and extra stamp duty levied on the resale of immovable property came into effect.

Revamping road networks to facilitate convenient commuting

To improve the overall living environment of local residents, the Government strived to create a harmonious and livable city through the sustainable development of transportation networks,

environmental protection and improvements to living space.

The General Road Traffic and Transport Policy of Macao reached the end of its first phase in 2012. Priority was given to the revamp of public transport system and relevant improvement measures. Since the introduction of new bus services a year earlier, the number of passengers reached a record high, with bus service frequency increased by some 36 percent. To ensure effective supervision of bus operations, a service appraisal system was introduced, a platform for the direct involvement of passengers was constructed, and the Transport Advisory Committee as an interactive platform was fully implemented to collect community views. The year also saw the granting of 200 new eight-year taxi licences through open tender.

As the trunk system for future road transport, the Light Rapid Transit (LRT) is key to long-term traffic improvements in Macao, and is a milestone in the territory's transport development. In 2012, the LRT entered the construction stage with the commencement of three sections in Taipa (urban Taipa section, Cotai section and Taipa Terminal) and the commencement of building of the LRT depot. Furthermore, public presentations on the routes and the detailed design and improved facilities at the stations of the two sections on the Macao peninsula (South Sai Van Lake section and Outer Harbour section) were also held. The contractor began to work on the improvement project of the Sai Van Bridge in the second half of the year, following finalisation of the design.

To meet the schedule of the LRT Phase 1 project, construction of the public transport interchange at Estrada Governador Albano de Oliveira in Taipa has commenced. During the construction phase of the LRT project, enhanced comprehensive planning of the traffic system in the area was implemented to improve connectivity between LRT stations and other transport modes, especially bus and taxi services.

The Government maintained its efforts to expand the road network, such as through opening Rua Lei Pou Chon, connecting Avenida do Ouvidor Arriaga with Rua Nova do Patane and Ilha Verde, revamping the road network around Avenida Marginal do Lam Mao, and extending Avenida Marginal do Patane.

Road crossing facilities for pedestrians were also improved and barrier-free walkways were constructed in phases. The walkways crossing Estrada da Baía de Nossa Senhora da Esperança were opened for use in 2012, and the construction of underground carriageway connecting Estrada da Baía de Nossa Senhora da Esperança and Avenida Wai Long in Taipa entered its most significant stage.

To complement the completion of public housing projects, community facilities in those areas were improved. For instance, the first recycled water pipeline network will be completed for the public housing project at Seac Pai Van.

The Government completed the construction of Iao Hon Market Complex and arranged for hawkers to move in. The improvement project of S. Lourenco Market was also completed. Renovation projects on the exterior of Iao Hon Market and Mercado Municipal Horta da Mitra, the hawker areas at Rua Sul do Mercado de S. Domingos, Rua Norte do Mercado de S. Domingos, and Fai Chi Kei were also commenced as scheduled. Meanwhile, the redevelopment plan of the

Five Streets – Rua da Emenda, Rua do Lu Cao, Rua de Brás da Rosa, Rua de Tomé Pires and Rua do Rebanho – was implemented in phases. Part-time pedestrian zones were set up to eliminate potential safety hazards and maintain order in the hawker areas, creating a safe and comfortable living and business environment for residents and retailers.

In the realm of environmental protection, the Government introduced a number of new policies and initiatives in 2012 to ensure healthy development of the living environment in Macao. For instance, through continuous improvement the leakage rate of water pipelines dropped to about 8.8 percent reaching the goal set in the Macao Water Conservation Plan.

Several environmental protection policies such as the by-law on Standard Limits of Exhaust Emissions for Imported New Vehicles were introduced, and efforts were made to educate the public to make efficient use of resources and to encourage society to use renewable energy.

In February, the solar photovoltaic system pilot project at Edifício Hou Kong commenced operation. At the same time, the natural gas pipeline network, which helped to safeguard the energy supply necessary to meet the demands of Macao residents, officially came into use.

Improving coordination and response capability to cope with emergencies

The Sin Fong Garden incident in October demonstrated the Government's efforts in enhancing its emergency response mechanism as well as its determination to put people first in tackling problems.

On 10 October 2012, cracks were found in the main columns of the 30-storey residential building Sin Fong Garden, prompting an evacuation of 140 households. The Government was highly concerned about the incident and Chief Executive Chui Sai On kick-started an inter-departmental response mechanism following an on-site inspection in person of the scene.

The Lands, Public Works and Transport Bureau immediately requested the adjacent construction site to cease operation, and required the contractor to take provisional measures to reinforce the building's structure. After confirming that the building was not in imminent risk of collapse, the residents of Sin Fong Garden were allowed to enter the building in batches to fetch basic necessities from their homes. Emergency subsidies were later disbursed by the Social Welfare Bureau to the affected residents for their immediate needs. At the same time, the Lands, Public Works and Transport Bureau continued to monitor and examine the building, and commenced long-term structural strengthening works to ensure the safety of the residents of the neighborhood.

In handling the incident, the Government stressed that public safety was the first priority and great importance was attached to seamless cooperation in the inter-departmental response mechanism. Following this incident, the Emergency Response Committee headed by the Chief Executive was established. It is charged with coordinating, instructing and monitoring public entities in handling all kinds of emergencies in a bid to raise the Government's response capability.