

**Replies to written questions raised by Finance Committee Members in  
examining the Draft Estimates of Expenditure 2001-02**

**[Bureau Secretary/Controlling Officer : Secretary for Housing]**

**[Session No. : 12]**

<b>Bureau Serial No.</b>	<b>Question Serial No.</b>	<b>Name of Member</b>	<b>Head</b>	<b>Programme</b>
<a href="#">HB001</a>	0293	NG Leung-sing	150	1
<a href="#">HB002</a>	0525	CHAN Kam-lam	150	1
<a href="#">HB003</a>	0526	CHAN Kam-lam	150	1
<a href="#">HB004</a>	0527	CHAN Kam-lam	150	1
<a href="#">HB005</a>	0528	CHAN Kam-lam	150	1
<a href="#">HB006</a>	0534	CHAN Kam-lam	150	1
<a href="#">HB007</a>	0535	CHAN Kam-lam	150	1
<a href="#">HB008</a>	0536	CHAN Kam-lam	150	1
<a href="#">HB009</a>	0597	Howard YOUNG	150	1
<a href="#">HB010</a>	0624	CHAN Kam-lam	150	1
<a href="#">HB011</a>	0625	CHAN Kam-lam	150	1
<a href="#">HB012</a>	0626	CHAN Kam-lam	251	-
<a href="#">HB013</a>	0772	HO Sau-lan, Cyd	150	1
<a href="#">HB014</a>	0972	LEUNG Yiu-chung	150	1
<a href="#">HB015</a>	1169	SHEK Lai-him, Abraham	150	1
<a href="#">HB016</a>	1170	SHEK Lai-him, Abraham	150	1
<a href="#">HB017</a>	1171	SHEK Lai-him, Abraham	150	1
<a href="#">HB018</a>	1340	IP Kwok-him	150	1
<a href="#">HB019</a>	1341	IP Kwok-him	150	1
<a href="#">HB020</a>	1342	IP Kwok-him	150	1
<a href="#">HB021</a>	1343	HO Chun-yan, Albert	150	1
<a href="#">HB022</a>	1344	HO Chun-yan, Albert	150	1
<a href="#">HB023</a>	1345	HO Chun-yan, Albert	150	1
<a href="#">HB024</a>	1346	HO Chun-yan, Albert	150	1
<a href="#">HB025</a>	1347	HO Chun-yan, Albert	150	1
<a href="#">HB026</a>	1348	HO Chun-yan, Albert	150	1
<a href="#">HB027</a>	1349	HO Chun-yan, Albert	150	1
<a href="#">HB028</a>	1350	HO Chun-yan, Albert	150	1
<a href="#">HB029</a>	1351	HO Chun-yan, Albert	150	1
<a href="#">HB030</a>	1352	CHAN Yuen-han	150	1
<a href="#">HB031</a>	1353	CHAN Yuen-han	251	-
<a href="#">HB032</a>	1354	CHAN Yuen-han	150	1
<a href="#">HB033</a>	1355	CHAN Yuen-han	150	1
<a href="#">HB034</a>	1356	CHAN Yuen-han	150	1
<a href="#">HB035</a>	1479	HO Chun-yan, Albert	150	1
<a href="#">HB036</a>	1480	HO Chun-yan, Albert	150	1
<a href="#">HB037</a>	0524	CHAN Kam-lam	62	1
<a href="#">HB038</a>	0755	LAU Ping-cheung	62	1
<a href="#">HB039</a>	1001	IP Kwok-him	62	1
<a href="#">HB040</a>	1091	HO Chun-yan, Albert	62	1

<a href="#">HB041</a>	1092	HO Chun-yan, Albert	62	1
<a href="#">HB042</a>	1280	IP Kwok-him	62	1
<a href="#">HB043</a>	1477	HO Chun-yan, Albert	62	1
<a href="#">HB044</a>	1478	HO Chun-yan, Albert	62	1
<a href="#">HB045</a>	1483	CHAN Yuen-han	62	1
<a href="#">HB046</a>	1484	CHAN Yuen-han	62	1
<a href="#">HB047</a>	1485	CHAN Yuen-han	62	1
<a href="#">HB048</a>	1486	CHAN Yuen-han	62	1
<a href="#">HB049</a>	0409	LAU Wong-fat	43	3
<a href="#">HB050</a>	0533	CHAN Kam-lam	43	3
<a href="#">HB051</a>	1050	LI Wah-ming, Fred	43	3
<a href="#">HB052</a>	1467	LI Wah-ming, Fred	43	3
<a href="#">HB053</a>	0538	CHAN Kam-lam	118	1
<a href="#">HB054</a>	0544	CHAN Kam-lam	162	4
<a href="#">HB055</a>	0545	CHAN Kam-lam	162	4

Bureau Serial No.

HB001

Question Serial No.

0293

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 - Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      Please state the measures, resources and manpower that the Housing Bureau shall employ in 2001-02 to speed up housing related infrastructural projects in order to meet our long term housing needs and solve the related problems. What is the indicator used to assess the achievement? How is it compared to those in the last two years?

Asked by :                      Hon NG Leung-sing

Reply :

We will spend \$2,017 million on capital cost of 51 housing-related infrastructure projects in 2001-02 under Head 711 – Housing. These projects relate to land formation, highways, water supply and schools. The sum includes \$254 million for 15 school and community facilities; \$287 million for 14 land formation and associated works projects; \$540 million for nine highway projects; and \$936 million for 13 water supply projects. Progress of these projects is satisfactory.

In 1999-2000, under the same Head of Expenditure, we spent \$2,731 million on 39 projects. The estimated expenditure in 2000-01 was

\$2,633 million for 43 projects.

The Housing Bureau uses existing manpower to fast-track housing-related infrastructural projects. Fast-tracking is achieved by streamlining internal procedures related to funding approval and tendering. A well structured mechanism is also in place for speedily resolving problems affecting individual housing sites.

We will assess performance against the amount of land made available for housing development. Over the past years, we have managed to maintain a steady supply of land and infrastructure sufficient to meet long term housing demand.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB002

Question Serial No.

0525

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 - Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      Please explain in detail the task to 'commission a survey of housing aspirations to be conducted by the Planning Department', its timetable, the scope of work of the Housing Bureau and the resources involved.

Asked by :                      Hon Chan Kam-lam

Reply :

The survey will cover 12,000 households living in both public and private housing, including 4,000 households with elderly persons. Statistical data will be collected for updating the assumptions used in the housing demand model and will provide statistics required for formulating and reviewing the housing policy.

The results of the survey will provide updated information for analysing the aspirations of families and individuals within existing households to acquire separate accommodation and their preferences for particular types of housing, and will help to evaluate housing affordability in terms of rent-to-income ratio, mortgage-to-income ratio

and downpayments. The survey will also collect information about households' intention to take up residence in the Mainland of China or elsewhere, and their preferences for particular forms of housing subsidy.

The survey will be commissioned in 2001. Assuming that a consultant is selected by the end of 2001, interviews will be carried out between January and June 2002. Results will be available by the end of 2002.

The cost of the survey is estimated to be \$3.4 million. Work involved in monitoring the survey will be absorbed by existing resources of the Planning Department.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB003

Question Serial No.

0526

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 – Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      How much resource is needed by the Housing Bureau in this year to carry out infrastructural projects including land formation? Will the present progress meet our housing developments and housing demand?

Asked by :                      Hon CHAN Kam-lam

Reply :

We will spend \$2,017 million on capital cost of 51 housing-related infrastructure projects in 2001-02 under Head 711 – Housing. These projects relate to land formation, highways, water supply and schools. The sum includes \$254 million for 15 school and community facilities; \$287 million for 14 land formation and associated works projects; \$540 million for nine highway projects; and \$936 million for 13 water supply projects. Progress of these projects is satisfactory. Together with other housing-related infrastructure projects implemented by other Bureaux, we have managed to maintain a steady supply of land and infrastructure sufficient to meet long term housing demand.

Signature

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 17 March 2001



Bureau Serial No.

HB004

Question Serial No.

0527

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 – Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

- Question :
- (a) Regarding the reduction programme of subsidised home ownership flats, which will be rolled forward to the year 2007-08, how many HOS flats will be reduced in the programme? What is the amount of resources to be saved and what is its proportion in the total housing expenditure?
  - (b) In the meantime, what is the increased number of loans to be provided to eligible households and the expenditure involved?

Asked by :                      The Hon CHAN Kam-lam

Reply :

Agreement has been reached with the Housing Authority (HA) to reduce the production of subsidised home ownership flats by 4 000, 5 000, 6 000 and 6 000 units respectively in each of the four years

from 2003-04 to 2006-07. The reduction programme will be reviewed and rolled forward annually. In 2001, the Housing Bureau will discuss with the HA the rolled forward programme for 2007-08.

2. Housing loans will be provided to eligible households to replace the reduction in flat production. The maximum cash requirement arising from the provision of 21 000 loans with a permitted loan amount of \$800,000 each over a period of four years is \$16.8 billion. Since successful applicants will repay their loans, the actual cost to the HA will be the interest foregone during the loan period, which is estimated at about \$4.6 billion.

3. Sites originally earmarked for the construction of 21 000 HOS flats will be designated for the development of private housing. The land premium to be received for these sites depends on their market value when they are actually sold.

4. It is not possible to estimate the total amount of resources or the proportion of total housing expenditure to be saved.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB005

Question Serial No.

0528

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 – Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      Please state the progress and timetable for the introduction of two bills (i.e. the Landlord and Tenant (Consolidation) (Amendment) Bill 2001 and the Sales Descriptions of Uncompleted Residential Properties Bill) into the Legislative Council, and the additional expenditure for the implementation of them.

Asked by :                      Hon Chan Kam-lam

Reply :

The Landlord and Tenant (Consolidation) (Amendment) Bill was introduced into the Legislative Council on 15 December 1999, but processing was not completed during the 1999/2000 legislative session. We now wish to incorporate additional proposals, and plan to introduce a new Bill in the 2000/01 legislative session.

An amount of non-recurrent expenditure of about \$1 million will be required to enhance existing computer systems to cope with additional work generated by the Amendment Bill, e.g. issue of certificates on the rateable value of premises and statutory compensation so as to facilitate negotiation between landlords and tenants. This will be absorbed by the Rating and Valuation Department.

We intend to submit the Sales Descriptions of Uncompleted Residential Properties Bill into the Legislative Council in the 2000/01 legislative session. Additional workload generated will be absorbed by the Housing Bureau and relevant government departments. No additional expenditure is expected.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>19 March 2001</u>

Bureau Serial No.

HB006

Question Serial No.

0534

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead(No. & title) : 001 - Salaries

Programme :                      15001 - Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      The Government plans to re-deploy two posts from the Planning Department to strengthen the ability of the Housing Bureau to participate in housing-related planning studies and related issues. Is this cost-effective? Will the Administration explain details of the planning studies? Will the Housing Bureau convert these posts into established ones in future in order to conduct housing-related planning studies?

Asked by :                      Hon. CHAN Kam-lam

Reply :

In 2000-01, the Housing Bureau (HB) participated in 16 strategic, territorial, sub-regional and district-level studies relating to housing development. Among these studies, seven were funded by the HB at a total cost of about \$260 million and were undertaken by the Planning Department, the Territory Development Department and the Civil Engineering Department.

2.                      The objectives of these studies are to create a broad planning framework and development strategy for Hong Kong, to identify

potential areas for housing and to rationalise land use. They include studies of the feasibility of new housing development in the North East New Territories, the North West New Territories, Tung Chung, Tai Ho, Tseung Kwan O, Hong Kong Island South, Sham Tseng and Cha Kwo Ling.

3. Re-deployment of two posts from the Planning Department to the Housing Bureau is cost-effective. They will monitor progress and outcome of housing related planning studies. They will also provide advice on the development and review of housing policy initiatives.

4. To effect the re-deployment, two permanent posts of one Senior Town Planner and one Town Planner will be created in the Housing Bureau in 2001-02, with corresponding deletion of these posts in the Planning Department.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	16 March 2001

Bureau Serial No.

HB007

Question Serial No.

0535

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) : 838 - Minor  
consultancy  
studies (block  
vote)

Programme :                      15001 - Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :                Secretary for Housing

Question :                              The Government will provide \$1,000,000 in non-  
recurrent expenditure to conduct minor consultancy  
studies. Please state the topics and details of the  
studies. Will the Government make provision in its  
recurrent expenditure to conduct more housing-  
related studies regularly?

Asked by :                              Hon. CHAN Kam-lam

Reply :

The purpose of minor consultancy studies and surveys is to collect or update housing-related information so as to keep track of developments in the residential property market and the local economy, which have a bearing on the housing needs and demands of the community. In 2001-02, three surveys will be conducted –

<b>Name of survey</b>	<b>Estimated cost</b>
(a) Survey on aspirations of improvement in accommodation	\$600,000
(b) Study on efficiency ratio of private residential buildings in Hong Kong	\$150,000
(c) Survey on aspiration and experience of taking up residence in the mainland of China	\$250,000

The first survey aims to establish the aspirations and ability of owners and occupants for improvement in accommodation, and study the impact of the downturn of the property market on such aspirations. The second study will collect information on building efficiency so as to examine the feasibility on the part of private property developers to build larger flats. The third survey studies the aspirations of Hong Kong residents for living in the Mainland and the likely impact on demand for housing in Hong Kong.

The Housing Bureau assesses the need for minor housing-related studies and surveys regularly.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	17 March 2001



Bureau Serial No.

HB008

Question Serial No.

0536

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) : 007 - Job-related allowances

Programme :                      15001 - Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      Will the Government explain in detail the job-related allowances under Subhead 007? How will the allowances be paid? Who will benefit from the allowances?

Asked by :                      Hon CHAN Kam-lam

Reply :

An estimate of \$22,000 is budgetted for the payment of Dialect Allowance to a Senior Chinese Language Officer, and \$6,000 for Hardship Allowance to a Chauffeur.

In accordance with established policy, the Chauffeur in the Housing Bureau is eligible to receive Hardship Allowance - Management Considerations of \$509 per month for prolonged working hours, insufficient rest time, irregular working hours/lunch hours and on-call duties causing disruption to his family life.

Dialect Allowance is payable to the Senior Chinese Language

Officer in the Housing Bureau, who has passed examinations to prove his proficiency in two additional Chinese dialects (other than Cantonese) and is eligible for the present rate of allowance at \$906 per dialect per month.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>14 March 2001</u>

Bureau Serial No.

HB009

Question Serial No.

0597

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Under matters Requiring Special Attention in 2001-02, it is stated that the Bureau will commission a survey of housing aspirations. Please provide details of the survey. When will the results be available?

Asked by : Hon Howard Young

Reply :

The survey will cover 12,000 households living in both public and private housing, including 4,000 households with elderly persons. Statistical data will be collected for updating the assumptions used in the housing demand model and will provide statistics required for formulating and reviewing the housing policy.

The results of the survey will provide updated information for analysing the aspirations of families and individuals within existing households to acquire separate accommodation and their preferences for particular types of housing, and will help to evaluate housing affordability in terms of rent-to-income ratio, mortgage-to-income ratio

and downpayments. The survey will also collect information about households' intention to take up residence in the Mainland of China or elsewhere, and their preferences for particular forms of housing subsidy.

The survey will be commissioned in 2001. Assuming that a consultant is selected by the end of 2001, interviews will be carried out between January and June 2002. Results will be available by the end of 2002.

The cost of the survey is estimated to be \$3.4 million. Work involved in monitoring the survey will be absorbed by existing resources of the Planning Department.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2001</u>

Bureau Serial No.

HB010

Question Serial No.

0624

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

- Question :
- (a) In order to reduce the average waiting time of elderly singletons who wish to live by themselves in public rental housing to two years by 2005, how many public housing flats will be needed according to the Administration's estimate and what is its proportion in the total housing resources?
  - (b) Please state in detail the proposal to provide rental subsidies in lieu of allocation of public rental flats to eligible elderly applicants. And if the proposal is to be implemented, what is the savings in terms of the number of public housing flats and what is its proportion in the total housing resources?

Asked by : Hon Chan Kam-lam

Reply :

About 7,200 public rental flats will be allocated to elderly

households in 2000-01, and about 25,000 public rental flats will be available for allocation to elderly households between 2001-02 and 2004-05. About 70% of these flats will be allocated to elderly singletons while 30% will be allocated to households comprising two or more elderly persons. Over the same period, about 147,800 public rental flats will be allocated to other eligible households. Thus about 18% of total public rental housing flats will be allocated to elderly households.

In accordance with our commitment in the 2000 Housing Policy Objective Booklet, the Housing Bureau, together with the Housing Department, are exploring the feasibility of providing rental subsidies in lieu of public rental housing to eligible elderly applicants on the Waiting List when their turn comes. This commitment was reiterated by the Secretary for Housing in the motion debate in the Legislative Council on 15 November 2000.

Details of the pilot scheme are being developed. The Housing Bureau and the Housing Department will present proposals for a pilot scheme to the Housing Panel of the Legislative Council in due course.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	16 March 2001

Bureau Serial No.

HB011

Question Serial No.

0625

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : On the other hand, what is the additional expenditure needed for the provision of rental subsidies?

Asked by : Hon Chan Kam-lam

Reply :

In accordance with our commitment in the 2000 Housing Policy Objective Booklet, the Housing Bureau, together with the Housing Department, are exploring the feasibility of providing rental subsidies in lieu of public rental housing to eligible elderly applicants on the Waiting List when their turn comes. This commitment was reiterated by the Secretary for Housing in the motion debate in the Legislative Council on 15 November 2000.

2. Rental subsidies are an alternative means of public housing assistance. Subsidies can provide an additional housing choice to eligible elderly applicants who prefer to live in districts where public rental housing flats are not available or districts of their own choice.

3. Details of the pilot scheme are being developed. The Housing Bureau and the Housing Department will present proposals for a pilot scheme to the Housing Panel of the Legislative Council in due course.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>



Bureau Serial No.

HB012

Question Serial No.

0626

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head Loan Fund Head 251 - Subhead (No. & title) : 116 Home starter  
Housing loan scheme

Programme :

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Please state in detail the plan to adjust the loan quota for singleton applicants under the Home Starter Loan Scheme and the estimated additional expenditure involved.

Asked by : Hon CHAN Kam-lam

Reply :

The Finance Committee agreed in December 2000 to delegate to the Secretary for Housing the authority to adjust the loan quota for non-elderly singletons under the Home Starter Loan Scheme. Since the extension of the Scheme to non-elderly singletons in December 1999, over 12 000 applications have been received. Based on past experience, only half of the applications are verified eligible and about half of these will actually apply for loans. Using these broad

assumptions, we estimate that by March 2002, about 4 100 loans, amounting to about \$1.23 billion, would be granted to non-elderly singletons under the Scheme. Demand will be monitored.

2. No additional funds are required in the granting of additional loans to non-elderly singletons. Since the launch of the Scheme in April 1998, most family loan recipients have drawn down loans for less than the maximum amount of \$600,000. Loans for non-elderly singletons will be met by the unused balance of the commitment approved for the Scheme.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB013

Question Serial No.

0772

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 - Housing

Controlling Officer :            Secretary for Housing

Bureau Secretary :            Secretary for Housing

Question :                      Regarding consultancy studies for policy making and assessment commissioned by the departments/services under your Bureau,

(1) Was there any financial provision allocated for commissioning consultancy studies in 2000-01? If yes, please reply with the following details :

Name of consultants (if available)	Consultancy fees	Status of consultancy studies (in plan/in progress/finished)
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(2) Will there be any financial provision allocated for commissioning consultancy studies in 2001-02? If yes, please reply with the following details :

Name of consultants (if available)	Consultancy fees	Status of consultancy studies (in plan/in progress/ finished)
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Asked by :                      Hon Miss Cyd HO Sau-lan

Reply :

The Housing Bureau and departments contributing to *Policy Area 31: Housing* did not have provision for commissioning consultancy studies for policy making and assessment in 2000-01.

For 2001-02, the Housing Bureau will commission three minor consultancy studies and surveys relating to (a) aspirations of improvement in accommodation, (b) efficiency ratio of local private residential buildings, and (c) aspirations and experience of taking up residence in the Mainland of China. The Planning Department will commission a Survey of Housing Aspirations. Details are as follows –

(a) Housing Bureau

<b>Name of consultants</b>	<b>Consultancy fees</b>	<b>Status of consultancy studies</b>
(a) To be confirmed	\$600,000	Being planned
(b) To be confirmed	\$150,000	Being planned
(c) To be confirmed	\$250,000	Being planned

(b) Planning Department

<b>Name of consultants</b>	<b>Consultancy fees</b>	<b>Status of consultancy study</b>
To be confirmed	\$1.1 million	Being planned

Signature \_\_\_\_\_

Name in block letters      Dominic S. W. WONG

Post Title      Secretary for Housing

Date      16 March 2001

Bureau Serial No.

HB014

Question Serial No.

0972

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

- Question :
- (a) In matters requiring special attention in 2001-02, it is said that an overall review will be conducted on the merits of different subsidised home ownership schemes and loan schemes. What are the targets and details of the review?
  - (b) Some beneficiaries are having negative assets. Will this be taken into consideration and become a policy guideline in the review?
  - (c) Will the review also suggest ways to help those beneficiaries of the schemes and are owners with negative assets?
  - (d) According to the Programme, only merits of the schemes will be reviewed. Does it mean that the review will not be an overall policy review?

Asked by :

The Hon LEUNG Yiu-chung

Reply :

In the 2000 Housing Policy Objective, we have undertaken to assess the relative merits of different home ownership schemes and loan schemes. We will examine the attractiveness, cost effectiveness and sensitivity to changes in housing demand of the various schemes administered by the Housing Authority and the Housing Society. The focus of the study is not a policy review, but on how individual schemes can best contribute to the successful implementation of our existing policy objectives. We will complete the study in 2001.

2. In all home ownership schemes and loan schemes, we adhere to the principle of directing subsidy to those in the greatest need. All such schemes therefore involve eligibility criteria including tests for income and assets. Negative assets are not in themselves material factors in determining eligibility for public assistance.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB015

Question Serial No.

1169

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 – Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :                Secretary for Housing

Question :                              How much resource will be deployed in the coming year to speed up infrastructural projects so as to tie in with our housing developments and meet long term housing needs, especially in meeting the need for public housing?

Asked by :                              Hon Abraham SHEK Lai-him

Reply :

The Housing Bureau uses existing manpower to fast-track housing-related infrastructural projects. We will continue to maintain a steady supply of land and infrastructure sufficient to meet long term housing demand. We will spend \$2,017 million on capital cost of 51

housing-related infrastructure projects in 2001-02 under Head 711-Housing. These projects relate to land formation, highways, water supply and schools.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2001</u>



Bureau Serial No.

HB016

Question Serial No.

1170

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : How much resource will be deployed in the coming year to review different subsidised home ownership schemes and loan schemes?

Asked by : The Hon Abraham SHEK Lai-him, JP

Reply :

Review of the relative merits of different subsidised home ownership schemes and loan schemes will be conducted by the Housing Bureau using existing resources.

Signature \_\_\_\_\_

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 16 March 2001

Bureau Serial No.

HB017

Question Serial No.

1171

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 – Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :                Secretary for Housing

Question :                              As for the discussion with the Housing Authority on a rolled forward programme of reducing the production of subsidised home ownership flats, with a consequential increase in the number of home ownership loans to eligible households up to 2007-08, has any initial understanding been reached and any timetable for implementation?

Asked by :                              The Hon Abraham SHEK Lai-him, JP

Reply :

Agreement has been reached with the Housing Authority to reduce subsidised home ownership flat production by 4 000, 5 000, 6 000 and 6 000 units respectively in each of the four years from 2003-04 to 2006-07. The reduction programme will be reviewed and rolled forward annually. Housing loans will be provided to eligible

households to replace the reduction in flat production.

2. In 2001, the Housing Bureau will discuss with the Housing Authority the rolled forward programme for 2007-08.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB018

Question Serial No.

1340

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : This year the Government plans to redeploy two posts from the Planning Department to strengthen the ability of the Housing Bureau to participate in housing-related planning studies and related issues. In this connection -

- (a) Will the Bureau please provide information on the housing-related planning studies, including the targets and scope of the studies, the timetable and expenditure incurred.
- (b) Will the above-mentioned studies refer to the survey of housing aspirations to be conducted by the Planning Department? If yes, will the study be taken up by the Housing Bureau? Why?

Asked by : Hon Ip Kwok-him

Reply :

In 2000-01, the Housing Bureau (HB) participated in 16 strategic,

territorial, sub-regional and district-level studies relating to housing development. Among these studies, seven were funded by the HB at a total cost of about \$260 million and were undertaken by the Planning Department, the Territory Development Department and the Civil Engineering Department.

The objectives of these studies are to create a broad planning framework and development strategy for Hong Kong, to identify potential areas for housing and to rationalise land use. They include studies of the feasibility of new housing development in the North East New Territories, the North West New Territories, Tung Chung, Tai Ho, Tseung Kwan O, Hong Kong Island South, Sham Tseng and Cha Kwo Ling.

Re-deployment of two posts from the Planning Department to the Housing Bureau is cost-effective. They will monitor progress and outcome of housing-related planning studies. They will also provide advice on the development and review of housing policy initiatives.

To effect the re-deployment, two permanent posts of one Senior Town Planner and one Town Planner will be created in the Housing Bureau in 2001-02, with corresponding deletion of these posts in the Planning Department.

The survey of housing aspirations is separate from the housing-related planning studies. It will be monitored by the Working Group on Housing Demand, operated by the Planning Department under the direction of the Housing Bureau. The role of the Housing Bureau is to

determine the best estimate of long term housing demand having regard to the conclusions of the Working Group, so as to permit adequate planning of land and infrastructure for housing development.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2001</u>

Bureau Serial No.

HB019

Question Serial No.

1341

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) : 002 - Allowances  
007 - Job-related  
allowances

Programme :                      15001 - Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :              Secretary for Housing

Question :                      Provision of \$28,000 under Subhead 007 - Job-related allowances and the provision of \$36,376,000 under Subhead 002 - Allowances are accounted for separately. In this connection :

- (a) will the Bureau please explain the nature of Job-related allowances;
- (b) how will the allowances be paid? Who will receive the allowances?
- (c) why should the allowances be accounted for separately under Subhead 007 and 002? Any special reason for that?

Asked by :                      Hon. IP Kwok-him

Reply :

(a) Job-related allowances are defined as additional payments to staff to compensate them for aspects of their work which are not normally expected of their grade or rank, and which have not been taken into account in the determination of their pay scale. Job-related allowances paid by the Housing Bureau include Dialect Allowance and Hardship Allowance (Management Considerations).

(b) Civil Service Regulations lay down specific criteria for the payment of each type of job-related allowance. Civil servants who satisfy the payment criteria and have obtained approval from the relevant approving authority may be granted the allowances at specified rates.

(c) In the Draft Estimates 2001-02, the provision for each Head of Expenditure is broken down into Recurrent Expenditure components such as Personal Emoluments and Departmental Expenses, and into Capital Expenditure components such as Plant, Equipment and Works, and Other Non-recurrent. Within each component, expenditure is further broken down into Subheads. Subhead 002 - Allowances and Subhead 007 - Job-related allowances are standard Subheads and may appear in any Head of Expenditure. They are not grouped together, because Subhead 002 (\$1,432,000) deals with expenditure on overtime allowances, acting allowances, typhoon allowances and rainstorm black warning allowances, and Subhead 007 (\$28,000) deals with expenditure on specific job-related allowances as defined in (a) above.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	16 March 2001



Bureau Serial No.

HB020

Question Serial No.

1342

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) : 838 - Minor  
consultancy  
studies (block  
vote)

Programme :                      15001 - Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :              Secretary for Housing

Question :                      Consultancy studies under Subhead 838 amount to  
\$1 million. It is a new item in 2001-02. In this  
connection -

- (a) Will the Bureau provide a simple table, explaining the purpose and scope of the consultancy studies, reasons for commissioning the consultants, timetable and the expenditure for each of the studies;
- (b) Provision for Subhead 838 will take the form of a block vote. Is it because the Housing Bureau will conduct reviews on a regular basis?
- (c) Are there any in-house guidelines in the Housing Bureau that governs the commissioning of consultancy studies and the requirements and expenditure for each item?

Asked by :                      Hon IP Kwok-him

Reply:

The Housing Bureau engages external agencies to conduct surveys and studies on subjects that it does not have adequate in-house resources to do. Details of surveys and studies planned for 2001-02 are as follows -

<b>Title</b>	<b>Purpose and scope</b>	<b>Timetable</b>	<b>Estimated Expenditure</b>
Survey on aspirations of improvement in accommodation	To establish the aspirations and ability of owners and occupants for improvement in accommodation, and study the impact of the downturn of the property markets on such aspirations	July - September 2001	\$600,000
Study on efficiency ratios of private residential buildings in Hong Kong	To collect information on building efficiency so as to examine the feasibility on the part of private property developers to build larger flats	April - August 2001	\$150,000
Survey on aspirations and experience of taking up residence in the Mainland of China	To study the aspirations of Hong Kong residents to live in the Mainland and the likely impact on the demand for housing in Hong Kong.	April - September 2001	\$250,000

As the Housing Bureau assesses the need for minor housing-related studies and surveys regularly, a block vote is therefore needed to cater for the need.

In the Housing Bureau, subject officers identify consultancy studies and surveys in response to need. Senior officers critically examine proposals for such studies and surveys before approval is sought from the Secretary for Housing to proceed. Award of contracts and monitoring of performance by consultants conform with established practice set out in the Stores and Procurement Regulations.

Signature

Name in block letters

Dominic S. W. WONG

Post Title

Secretary for Housing

Date

17 March 2001

Bureau Serial No.

HB021

Question Serial No.

1343

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead(No. & title) : 001 - Salaries

Programme :                      15001 - Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      Provision for 2001-02 of the Housing Bureau is \$2.3 million (5.6%) higher than last year, which is mainly due to redeployment arrangements. What are the details and estimates of expenditure for each of these arrangements?

Asked by :                      Hon Albert HO Chun-yan

Reply :

The 5.6% increase in provision for the Housing Bureau in 2001-02 is accounted for by an increase in salary costs of about \$1.7 million and a new addition of a Block Vote of \$1 million, offset partly by about \$0.4 million in savings to be achieved under other expenditure items.

In 2001-02, one Senior Town Planner and one Town Planner will be re-deployed from the Planning Department to the Housing Bureau. They will monitor progress and outcome of housing-related planning studies. They will also provide advice on the development and review of housing policy initiatives. The re-deployment will be effected through the creation of two such posts in the Housing Bureau and corresponding deletion of the same posts in the Planning Department. Provision for salaries for these two posts in 2001-02 accounts for about \$1.45 million of the increase in salary costs. A provision of about \$0.25 million has been included for annual increments for staff who have not already attained maximum salaries.

The other contributor to the increase in the 2001-02 Draft Estimate is the creation of a Block Vote with a provision of \$1 million under Other Non-recurrent Capital Expenditure for minor housing-related consultancy studies and surveys.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2001</u>

Bureau Serial No.

HB022

Question Serial No.

1344

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 - Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :                Secretary for Housing

Question :                              The Housing Bureau will 'commission a survey of housing aspirations to be conducted by the Planning Department' in 2001-02. Please state the estimated number of samples to be taken, concrete details of the survey, timetable, manpower and expenditure involved.

Asked by :                              Hon Ho Chun-yan

Reply :

The survey will cover 12,000 households living in both public and private housing, including 4,000 households with elderly persons. Statistical data will be collected for updating the assumptions used in the housing demand model and will provide statistics required for formulating and reviewing the housing policy.

The results of the survey will provide updated information for analysing the aspirations of families and individuals within existing households to acquire separate accommodation and their preferences for particular types of housing, and will help to evaluate housing

affordability in terms of rent-to-income ratio, mortgage-to-income ratio and downpayments. The survey will also collect information about households' intention to take up residence in the Mainland of China or elsewhere, and their preferences for particular forms of housing subsidy.

The survey will be commissioned in 2001. Assuming that a consultant is selected by the end of 2001, interviews will be carried out between January and June 2002. Results will be available by the end of 2002.

The cost of the survey is estimated to be \$3.4 million. Work involved in monitoring the survey will be absorbed by existing resources of the Planning Department.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2001</u>

Bureau Serial No.

HB023

Question Serial No.

1345

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 – Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :                Secretary for Housing

Question :                      The Housing Bureau and the Housing Authority will study the proposal to provide rental subsidies in lieu of allocation of public rental flats to eligible elderly applicants. What is the thinking behind the proposal and what are the details of it? Please state the total estimated amount of expenditure and the breakdowns.

Asked by :                      Hon Ho Chun-yan

Reply :

In accordance with our commitment in the 2000 Housing Policy Objective Booklet, the Housing Bureau, together with the Housing Department, are exploring the feasibility of providing rental subsidies in lieu of public rental housing to eligible elderly applicants on the Waiting List when their turn comes. This commitment was reiterated by the Secretary for Housing in the motion debate in the Legislative Council on



15 November 2000.

Rental subsidies are an alternative means of public housing assistance. Subsidies can provide an additional housing choice to eligible elderly applicants who prefer to live in districts where public rental housing flats are not available or districts of their own choice.

Details of the pilot scheme are being developed. The Housing Bureau and the Housing Department will present proposals for a pilot scheme to the Housing Panel of the Legislative Council in due course.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2001</u>

Bureau Serial No.

HB024

Question Serial No.

1346

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 - Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :                Secretary for Housing

Question :                              The Housing Bureau has pledged to draw up and maintain a long-term flat production programme as one of its policy objectives in 2000-01. Please state the progress, details and expenditure in this connection. No mention is made of the long-term flat production plan in this year's scope of work. Has the Administration abandoned the plan and so no funds have been earmarked in this respect?

Asked by :                              Hon HO Chun-yan

Reply :

The long term flat production programme is a 13-year forecast of flat production potential based on a centralised inventory of housing sites maintained by the Housing Bureau, a clear delineation of responsibility for the delivery of housing projects among concerned departments, and an efficient system for solving problems relating to flat production.

The programme is rolled forward annually to ensure that there is sufficient supply of land for housing development to meet long term demand. Resources to maintain and update the programme have been allocated to concerned Policy Bureaux and departments in previous years.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB025

Question Serial No.

1347

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 - Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      Please state the targets that the Administration has said to have met or is on schedule to meet in 2000-01. What are those targets that have not been met and why?

Asked by :                      Hon Albert HO Chun-yan

Reply :

The following targets are set for 2000-01 –

1. Co-ordinate the formulation of the details of a scheme under which a proportion of our subsidised home ownership flat production will be replaced by the provision of additional loans.
2. Steer consultancy studies on older urban areas in Ngau Tau Kok, Shek Kip Mei, Cheung Sha Wan and Homantin to achieve a more rational and efficient use of land for housing development.
3. Oversee a review of 110 hectares of agricultural land with a

- view to facilitating rezoning for housing development.
4. Oversee a review of all industrial land in Hong Kong with a view to facilitating rezoning for housing development.
  5. Continue to fast-track infrastructural projects to avoid delays to housing production.
  6. Monitor the implementation of new Practice Regulations for estate agents.
  7. Monitor the implementation of the mixed development pilot scheme.
  8. With the assistance of the Housing Authority, improve the design of Home Ownership Scheme flats so as to meet the expectations of buyers and to reduce wastage caused by the removal of fixtures by buyers.
  9. Accelerate the allocation of public rental housing to non-elderly singletons in genuine need so as to shorten their average waiting time.
  10. Develop a pilot scheme for the provision of affordable elderly housing by private sector.

The Housing Bureau has met the first nine targets and is on schedule to meet the last one.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>15 March 2001</u>

Bureau Serial No.

HB026

Question Serial No.

1348

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 - Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      The approved estimate of the Housing Bureau in 1999-2000 was \$43.2 million and the revised estimate was \$41.4 million. However, the actual expenditure was \$40.4 million. Please state the details and reasons.

Asked by :                      Hon Albert HO Chun-yan

Reply :

The 1999-2000 revised estimate was \$1.8 million less than the approved estimate of \$43.2 million. The reduction was due to –

- (a) non-creation of one Senior Executive Officer post in the Housing Bureau's Resource Management Unit in support of the Enhanced Productivity Programme;
- (b) deferment in the creation of six posts while a review and realignment of duties was being conducted for productivity enhancement, hence a reduction in salaries payable; and
- (c) lower than budgetted expenditure on acting allowances to cover officers' absence on leave.

Actual expenditure of the year was lower by about \$1 million. This is mainly due to -

- (a) further decrease in expenditure for acting allowances upon the implementation of new acting appointment control measures in January 2000; and
- (b) prolonged duration of the follow-up survey for the 1999 Housing Aspirations Survey, as a result of which payment for the follow-up survey was deferred to 2000-01.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB027

Question Serial No.

1349

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) : 002 -  
Allowances

Programme :                      15001 - Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      The approved estimate of allowances of the Housing Bureau in 2000-01 is \$1.52 million. However, the revised estimate is \$1.73 million, 14% higher than estimated. Why? This year's estimate is \$1.43 million. On what basis does the Administration work out its estimates and will last year's mistake be repeated?

Asked by :                      Hon Albert HO Chun-yan

Reply :

The increase in the 2000-01 Revised Estimate for Subhead 002 - Allowances of 14% over the Approved Estimate is mainly due to increased expenditure in acting allowances arising from the need to fill -

- (a) a post of Secretary to the Investigation Panel on Staff Discipline in the Tin Chung Court and Yuen Chau Court Incidents by an officer on an acting basis, and
- (b) a vacant Principal Assistant Secretary (Project Management)



post by an officer on an acting basis.

The need for these acting appointments could not have been foreseen in late 1999 when the 2000-01 Estimates were computed.

Subhead 002 covers acting allowance, overtime allowance, typhoon allowance and rain storm black warning allowance. Acting allowances are estimated according to officers' leave entitlements, their leave patterns in previous years and their tentative leave plans for the coming year. Overtime allowances are estimated for exceptionally busy periods of the year. Other allowances are estimated on the basis of typhoon and rain storm information in recent years.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>14 March 2001</u>

Bureau Serial No.

HB028

Question Serial No.

1350

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) : 838 - Minor  
consultancy  
studies (block  
vote)

Programme :                      15001 - Housing

Controlling Officer :            Secretary for Housing

Bureau Secretary :            Secretary for Housing

Question :                      In the Housing Bureau's capital account this year,  
there is a provision of \$1 million (block vote) for  
conducting minor consultancy studies on housing-  
related matters. Please state the scope of the studies  
and the expenditure in detail.

Asked by :                      Hon Albert HO Chun-yan

Reply :

In 2001-02, three consultancy studies will be conducted –

<b>Name of survey</b>	<b>Estimated cost</b>
(d) Survey on aspirations of improvement in accommodation	\$600,000
(e) Study on efficiency ratio of private residential buildings in Hong Kong	\$150,000

- (f) Survey on aspirations and experience of taking up residence in the Mainland of China \$250,000

The first survey aims to establish the aspirations and ability of owners and occupants for improvement in accommodation, and study the impact of the downturn of the property market on such aspirations. The second study will collect information on building efficiency so as to examine the feasibility on the part of private property developers to build larger flats. The third survey studies the aspirations of Hong Kong residents for living in the Mainland and the likely impact on demand for housing in Hong Kong.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	16 March 2001

Bureau Serial No.

HB029

Question Serial No.

1351

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead(No. & title) : 700- General  
Other Non-  
recurrent

Programme :                      15001 - Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :              Secretary for Housing

Question :                      The capital account commitment balance for the Housing Bureau in 1999-2000 is \$2 million and the balance for 2000-01 is \$0.8 million. Though the capital account estimate for 2001-02 is \$1 million, there is no capital account commitment balance. Why?

Asked by :                      Hon Albert HO Chun-yan

Reply :

\$800,000 was budgetted for under the 2000-01 Approved Estimates for Subhead 700 - General Other Non-recurrent Capital Account for a consultancy study on Sales of Overseas Uncompleted Residential Properties. Following funding approval in September 1999, the Housing Bureau discussed the matter with the Estate Agents Authority (EAA) which indicated also the wish to conduct a similar study. As the EAA membership covers representatives from the industry, the legal profession and the Consumer Council, the Housing Bureau agreed that it would be more appropriate for the EAA to conduct the survey.

There was no longer a need for the allocated fund, and accordingly the provision was deleted from the Housing Bureau's 2000-01 Revised Estimates. Hence, there is no commitment balance for this item in 2001-02.

As for 2001-02, the Housing Bureau has sought a provision of \$1 million under *Capital Account Other Non-recurrent Subhead 838 Minor consultancy studies (block vote)* for engaging consultants to conduct housing-related minor studies and surveys. According to the presentation format outlined in the Introduction chapter of the Draft Estimates (paragraph 24 on page 11 of Volume IA refers), provision under a subhead in the Capital Account with the words "block vote" in brackets immediately after the title will not be separately identified on the commitments page. In line with this, a commitment balance is not shown for this item.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>15 March 2001</u>

Bureau Serial No.

HB030

Question Serial No.

1352

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 - Housing

Controlling Officer :      Secretary for Housing

Bureau Secretary :      Secretary for Housing

Question :                      How much manpower and expenditure does the Housing Bureau need in order to commission a survey of housing aspirations to be conducted by the Planning Department? Please state the timetable, target groups and samples in detail.

Asked by :                      Hon Chan Yuen-han

Reply :

The survey will cover 12,000 households living in both public and private housing, including 4,000 households with elderly persons. Statistical data will be collected for updating the assumptions used in the housing demand model and will provide statistics required for formulating and reviewing the housing policy.

The results of the survey will provide updated information for analysing the aspirations of families and individuals within existing households to acquire separate accommodation and their preferences for particular types of housing, and will help to evaluate housing affordability in terms of rent-to-income ratio, mortgage-to-income ratio

and downpayments. The survey will also collect information about households' intention to take up residence in the Mainland of China or elsewhere, and their preferences for particular forms of housing subsidy.

The survey will be commissioned in 2001. Assuming that a consultant is selected by the end of 2001, interviews will be carried out between January and June 2002. Results will be available by the end of 2002.

The cost of the survey is estimated to be \$3.4 million. Work involved in monitoring the survey will be absorbed by existing resources of the Planning Department.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2001</u>

Bureau Serial No.

HB031

Question Serial No.

1353

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head Loan Fund Head 251 - Subhead(No. & title) : 116 Home starter  
Housing loan scheme

Programme :

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : The Housing Society will draw down \$3,500,000,000 in the coming year. Together with the drawdown of \$10,200,000,000 before 31 March this year, will it be adequate to cope with the loan amounts being applied for at present and in the coming year? How many applications are there?

Asked by : Hon CHAN Yuen-han

Reply :

Since the commencement of the Home Starter Loan Scheme in April 1998, \$10.2 billion has been drawn down. Another \$3.5 billion is expected to be drawn down in the coming year to fund loans for eligible applicants up to March 2002. The total of \$13.7 billion should be adequate.

2. As at 12 March 2001, over 18 000 loans amounting to \$9.2 billion have been released to successful applicants. The remaining



\$4.5 billion should be sufficient to fund estimated 9 000 loans from now up to March 2002.

3. We will monitor the demand for loans. If necessary, more funds may be drawn from the remaining balance of \$4.3 billion of the loan fund already approved.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2001</u>

Bureau Serial No.

HB032

Question Serial No.

1354

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : What are the guidelines adopted by the Housing Bureau in commissioning minor consultancy studies and is there an expenditure limit for each study?

Asked by : Hon CHAN Yuen-han

Reply :

In reviewing housing policy, the Housing Bureau has to update housing-related information and study technical issues. Where necessary, we commission consultancy studies and surveys to provide us with information relevant to existing policy initiatives or the formulation of new initiatives.

A block vote under Head 150 is designated for engaging consultants to conduct minor housing-related studies and surveys. The maximum expenditure limit for each study or survey is \$800,000.

The Housing Bureau also commissions other consultancy studies of the planning and engineering feasibility of individual housing developments and related infrastructure projects. A block allocation under Head 711 is designated for minor works, feasibility studies and site investigations in respect of housing-related works, subject to a maximum ceiling of expenditure of not more than \$15 million per item.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB033

Question Serial No.

1355

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead(No. & title) : 001 - Salaries

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

- Question :
- (a) It is estimated that there will be ten directorate posts in the Housing Bureau for 2001-02. What are these posts? What is the percentage of the emoluments of directorate posts in the total personal emoluments?
  - (b) What is that new non-directorate post? What are its duties?

Asked by : Hon Ms CHAN Yuen-han

Reply :

The ten Directorate posts are already in existence. Details are as follows-

<b>Rank</b>	<b>Post</b>
Director of Bureau	Secretary for Housing
Administrative Officer Staff Grade B1	Deputy Secretary for Housing (1)

<b>Rank</b>	<b>Post</b>
Administrative Officer Staff Grade B	Deputy Secretary for Housing (2)
Administrative Officer Staff Grade C	Principal Assistant Secretary for Housing (1)
Administrative Officer Staff Grade C	Principal Assistant Secretary for Housing (2)
Administrative Officer Staff Grade C	Principal Assistant Secretary for Housing (Housing Strategy)
Government Engineer	Principal Assistant Secretary for Housing (Project Management)
Chief Planning Officer	Chief Assistant Secretary for Housing (Research and Planning)
Chief Engineer	Chief Assistant Secretary for Housing (Project Management)1
Chief Engineer	Chief Assistant Secretary for Housing (Project Management)2

Salaries for these Directorate posts account for about 40% of total provision for salaries for the Housing Bureau in 2001-02.

Two non-directorate permanent posts, namely, one Senior Town Planner and one Town Planner, will be created in the Housing Bureau in 2001-02, with corresponding deletion of these posts in the Planning Department and further deletion of one time-limited non-directorate post in the Housing Bureau, resulting in a net increase of one non-directorate post as stated in the Draft Estimate. The two new posts will monitor progress and outcome of housing-related planning studies. They will also provide advice on the development and review of housing policy initiatives.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	16 March 2001

Bureau Serial No.

HB034

Question Serial No.

1356

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Please state the estimated expenditure and manpower arrangements of the Housing Bureau in monitoring public housing supply and the home ownership schemes. How much resource will the Housing Bureau deploy to review housing demand?

Asked by : Hon CHAN Yuen-han

Reply :

Within the Housing Bureau, the Project Management Division is responsible for monitoring the supply of land and infrastructure for housing, including public housing. The Research and Planning Division monitors housing demand and conducts housing-related planning studies and research.

2. It is difficult to assess manpower and expenditure specifically for monitoring public housing supply and the home ownership schemes, and review of housing demand. As a very rough estimate, nine staff members are involved as part of their duties. Expenditure is estimated at approximately \$1 million a year.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>20 March 2001</u>

Bureau Serial No.

HB035

Question Serial No.

1479

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) : 700-General other  
non-recurrent

Programme :                      15001 - Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :              Secretary for Housing

Question :                      The approved estimate in the total capital account of the Housing Bureau for 2000-01 is \$0.8 million, which will be used to commission in a consultancy study on overseas uncompleted properties. However, this item of expenditure has been cancelled in this year's revised estimate. Why?

Asked by :                      Hon HO Chun-yan

Reply :

\$800,000 was budgetted for under the 2000-01 Approved Estimates for Subhead 700 – General Other Non-recurrent Capital Account for a consultancy study on Sales of Overseas Uncompleted Residential Properties. Following funding approval in September 1999, the Housing Bureau discussed the matter with the Estate Agents



Authority (EAA) which indicated also the wish to conduct a similar study. As the EAA membership covers representatives from the industry, the legal profession and the Consumer Council, the Housing Bureau agreed that it would be more appropriate for the EAA to conduct the survey. There was no longer a need for the allocated fund, and accordingly the provision was deleted from the Housing Bureau's 2000-01 Revised Estimates. Hence there is no commitment balance for this item in 2001-02.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB036

Question Serial No.

1480

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 150 - GS:HB                      Subhead (No. & title) :

Programme :                      15001 - Housing

Controlling Officer :              Secretary for Housing

Bureau Secretary :                Secretary for Housing

Question :                              The approved estimate in the total capital account of the Housing Bureau for 1999-2000 is \$2 million, which will be used to conduct the 1999 Survey of Housing Aspirations of Households. This provision has been increased by \$2.28 million in the revised estimate while the actual expenditure is \$1.75 million. Please explain in detail.

Asked by :                              Hon Ho Chun-yan

Reply :

Expenditure of the survey of housing aspirations of households in 1999-2000 was initially estimated at \$2 million. The Housing Bureau proposed in 1999 a subsidiary survey to obtain information on the provision of affordable housing to elderly persons. The additional expenditure required was estimated at \$0.5 million. The revised estimate of expenditure in 1999-2000 was \$2.28 million : \$1.78 million

for the main survey and \$0.50 million for the subsidiary survey .

Actual expenditure in 1999-2000 was \$1.75 million : \$1.6 million for the main survey and \$0.15 million for the subsidiary survey. For the main survey, the actual expenditure was lower than the estimate because of a lower tender price. For the subsidiary survey, \$0.35 million was settled in 2000-01, making a total of \$0.5 million.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2001</u>

Bureau Serial No.

HB037

Question Serial No.

0524

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

- (a) Why is the number of people to be rehoused this year as a result of squatter and unauthorized rooftop structure clearances estimated to increase substantially to 7000 from last year's 5800? What is the projected increase in manpower and resources in this regard?
- (b) It is estimated that 1000 Temporary Housing Area (THA) residents and 900 Cottage Area (CA) residents will be rehoused this year. Which THAs and CAs are involved and what is the expenditure to be incurred?
- (c) Please specify the timetable for the clearance of the Cottage Areas in Lai Chi Kok, Mount Davis and So Kon Po. How many residents will need to be rehoused and what is the expenditure to be incurred?

Asked by :

Hon. CHAN Kam-lam

Reply :

- (a) The increase of 1200 in the estimated number of people to be rehoused is mainly due to increased rehousing requirements arising from Buildings Department's plan to step up enforcement against illegal rooftop structures in 700 tenement buildings in 2001-02, in addition to planned clearance

programmes. Sufficient public rental housing and interim housing units will be made available to cope with the demand. Housing Department will absorb the additional workload with existing resources.

- b) 1000 residents from Sha Kok Mei and Tseung Kwan O Temporary Housing Areas (THAs) and 900 residents from So Kon Po, Mt. Davis and Lai Chi Kok Cottage Areas (CAs) will be rehoused in 2001. The total clearance cost involved is \$15.4 million in terms of staffing and operating costs.
- (c) We aim to clear So Kon Po, Mt. Davis and Lai Chi Kok Cottage Areas in July 2001. About 900 residents will be rehoused and the estimated expenditure is \$8 million in terms of staffing and operating costs. Separate capital accounts will be created by Lands Department under Subhead 600 of Head 91 for demolition of structures.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB038

Question Serial No.

0755

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

It is estimated that the number of people to be rehoused as a result of programmed clearances of squatter and unauthorized rooftop structures or emergency clearances following natural disasters is 7000. Could the authorities advise us whether the estimated number includes the people to be displaced by the clearance of 500 unauthorized rooftop structures as announced earlier by the Buildings Department? How many places are available in transit centres or interim housing estates for accommodating those who are ineligible for public rental housing for the time being?

Asked by :

Hon. LAU Ping-cheung

Reply :

The estimated number of 7000 people to be rehoused in 2001-02 has already included occupants of illegal rooftop structures in 700 single-staircase tenement buildings to be covered by the Buildings Department's planned enforcement actions. Currently, 8000 interim housing units and 480 bedspaces in transit centres are available. Sufficient public housing units (including interim housing) and transit centre places are available for accommodating affected clearances.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB039

Question Serial No.

1001

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

Would the Government inform this Council

(a) whether there is any comprehensive clearance and rehousing plan for squatter structures under threat of landslide? If yes, what are the details of the plan? If no, why?

(b) of the details of the related expenditure?

Asked by :

Hon. IP Kwok-him, JP

Reply :

(a) The Government has long been spending great efforts to rehouse squatters whose huts are vulnerable to landslide. Since 1986, we have rehoused some 75,000 squatters including all those living near slopes with immediate danger. We are still persuading the remaining 8,000 squatters who live near slopes without immediate danger to accept our rehousing offers on a voluntary basis.

(b) The funds required for clearances of squatters near slopes are included under Head 62. There is no separate breakdown for this category of clearance.



Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB040

Question Serial No.

1091

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

The estimate of the Housing Department for 2001-02 shows a decrease of \$5.4 Million (1.1%) against the revised estimate for 2000-01. Please provide information on the posts which will be deleted and the details of the Enhanced Productivity Programme of the Housing Department. Please also provide a breakdown of the savings that could be achieved under each initiative.

Asked by :

Hon. Albert HO Chun-yan

Reply :

A total of 35 posts will be deleted in 2001-02. These include 1 Senior Housing Manager, 2 Housing Managers, 2 Assistant Housing Managers, 7 Housing Officers, 7 Clerical Staff, 1 Foreman, 5 Artisans, 8 Workmen I and 2 Motor Drivers from Temporary Housing Clearance Sub-section and Squatter Control Sub-section. These posts will be deleted through natural wastage or staff redeployment. The deletion of these posts and other savings in recurrent expenditure together account for the decrease of \$5.4 million in the estimate, of which \$4.382 million contributes to the Enhanced Productivity Programme. Details of the Enhanced Productivity Programme for 2001-02 are as follows:

- Through streamlining of work processes and increase in use of information technology, 15 out of the 35 posts

to be deleted in 2001-02 will contribute to the Programme resulting in savings of \$3.920 million;

- Savings of \$0.462 million in office rental, cleansing and electricity charges resulting from the merging of three Squatter Control Offices in Yuen Long District into two.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB041

Question Serial No.

1092

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

Please provide answers to the following questions regarding the respective targets :

- (a) The Housing Department's estimated number of people to be rehoused as a result of programmed squatter and unauthorised rooftop structure clearances or emergency clearances following natural disasters in 2000 was 10000, but the actual number turned out to be 5800. What are the reasons for this? What are the criteria for setting a target of 7000 people to be rehoused in 2001 and how is the plan to be implemented?
- (b) The Housing Department's estimated number of illegal structures to be demolished in 2000 was 2500, but the actual number turned out to be 2000. What are the reasons for this? As for the estimated 3000 illegal structures to be demolished in 2001, what specific measures does the Department have in carrying out this task? What are the manpower and expenditure involved?
- (c) The Housing Department's estimated number of Temporary Housing Area (THA) residents to be rehoused in 2000 was 6000, but the actual number turned out to be 4500. What are the reasons for this?

What are the details of the plan for rehousing 1000 THA residents in 2001?

Asked by :

Hon. Albert HO Chun-yan

Reply :

- (a) The actual number of people at 5800 rehoused in 2000 fell short of the original estimate of 10000 because:
- (i) some planned major clearances have been postponed to tie in with the site requirement dates for implementation of development projects; and
  - (ii) some clearances were deferred to allow longer time to work out the rehousing arrangements with clearances.

The target of 7000 people to be rehoused in 2001 is based on the planned squatter clearance programme and Building Department's enforcement programme against illegal rooftop structures in 700 single-staircase tenement buildings.

- (b) The numbers 2500 for 2000-01 and 3000 for 2001-02 are rough estimates only. The actual number of structures discovered during Housing Department's site inspections may therefore differ from these estimates. For 2001-02, Housing Department will continue to conduct regular patrol at sites prone to squatting. Immediate action will be taken to demolish newly erected illegal structures. The manpower and expenses incurred have been included under the budget at \$345.05 million for squatter controls.
- (c) The clearance of two THAs (i.e. Sha Kok Mei THA and Tseung Kwan O THA) have been postponed due to deferral of the site requirement dates and residents' reluctance in accepting rehousing offers. Thus, the number of residents rehoused is 4500, 1500 less than the estimate for 2000-01. We will continue to persuade the remaining households in these two THAs to accept rehousing offers. We plan to clear Sha Kok Mei THA and Tseung Kwan O THA before mid-2001.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB042

Question Serial No.

1280

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

According to information provided in the document, the squatter population of Hong Kong on 2001-02 is 222 800 whereas the number of people affected by clearance operations of squatter and rooftop structures this year is 7000. In this connection, could the Government inform us :

If clearance operations can be speeded up and the necessary rehousing arrangements are possible, we would like to ask the Department to provide a time-table, the additional annual recurrent and non-recurrent expenditures involved, as well as the additional number of flats to be built. If the above is not possible, please give the reasons.

Asked by :

Hon. IP Kwok-him, JP

Reply :

It is the goal of the Government to improve the living condition of squatter areas through development and non-development clearances. As the clearance of squatter areas is project-led, it is not appropriate to advance the timetable for planned clearances. Under our 5-year rolling clearance programmes, we aim to rehouse 18 000 people in the next five years in sites required for development.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001



Bureau Serial No.

HB043

Question Serial No.

1477

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

The Housing Department estimated that 1800 Cottage Area residents would be rehoused in 2000. Why is it that the actual number of cottage area residents rehoused is 550? Clearances of the cottage areas in Lai Chi Kok, Mt. Davis and So Kon Po will be carried out in 2001, and an estimated 900 Cottage Area residents will be rehoused. Does this figure include residents of other cottage areas? If so, which cottage areas.

Asked by :

Hon. Albert HO Chun-yan

Reply :

The Housing Department had originally planned to clear five Cottage Areas at Fo Tan, Tung Tau, Lai Chi Kok, Mount Davis and So Kon Po before 2001, which would entail rehousing of 1800 residents by 2000. Clearances of Lai Chi Kok, Mount Davis and So Kon Po Cottage Areas were deferred. As a result, only 550 residents in Fo Tan and Tung Tau Cottage Areas were rehoused in 2000. The remaining 350 residents from Tung Tau Cottage Area were rehoused in early 2001 for clearance to proceed in March. Lai Chi Kok, Mount Davis and So Kon Po Cottage Areas, which involve 900 residents, will be cleared in 2001.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB044

Question Serial No.

1478

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

The Housing Department's revised estimate for 1999-00 is \$495.69 Million, while the actual expenditure is \$511.70 Million. Why did the actual expenditure exceed the revised estimate?

Asked by :

Hon. Albert HO Chun-yan

Reply :

Housing Department (HD), being the Government's clearance agent, assists other government departments to clear land and rehouse people for public development purpose or slope safety reason. Government pays HD in advance for staff costs and expenses incurred on quarterly basis based on the approved estimate. The HD refunds any overpayments to Government and Government reimburses the HD for any underpayments in the next financial year.

Against the approved provision of \$511.80 million in 1999-2000 and after deducting savings of \$100,000 under the Enhanced Productivity Programme, the actual provision of \$511.70 million represented the funding paid by Government to the HD in the financial year. The actual expenditure incurred by the HD in 1999-00 was \$465.92 million, which was lower than the revised estimate of \$495.69 million for the year. The overpayment of \$45.78 million in 1999-2000 was refunded to Government in January 2001.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB045

Question Serial No.

1483

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

Would the Government inform us of the resources required for clearance of the remaining 3 Cottage Areas?

Asked by :

Hon. CHAN Yuen-han

Reply :

The estimated expenses on clearance of the remaining three Cottage Areas is \$8 million in terms of staffing and operating costs covering office rentals, cleansing and public utilities charges etc. The expenditure on payment of ex-gratia allowance is to be charged to Subhead 221 Head 91. Separate capital accounts will be created by Lands Department under Subhead 600 of Head 91 for demolition of structures. We need to make available about 380 public rental housing units for accommodating the clearances.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB046

Question Serial No.

1484

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

- (a) Please give details of the posts estimated to be deleted or regraded in the Housing Department in 2001-02 under the Enhanced Productivity Programme.
- (b) What is the provision for the maintenance of squatter area improvement facilities in 2001-02? How does it compare with that of the previous financial year in percentage terms?

Asked by :

Hon. CHAN Yuen-han

Reply :

- (a) Under the Enhanced Productivity Programme in 2001-02, a total of 15 posts will be deleted. These include 1 Housing Manager, 1 Housing Officer, 1 Assistant Clerical Officer, 3 Clerical Assistants, 1 Office Assistant, 1 Foreman, 1 Artisan, 5 Workmen I and 1 Motor Driver. These posts will be deleted through natural wastage or staff redeployment.
- (b) The estimated expenditure for Squatter Area Improvement programme 2001-02 is about \$1.40 million which is same as that for the last financial year.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB047

Question Serial No.

1485

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

It is estimated by the Housing Department that as a result of programmed clearances and emergency clearances after natural disasters, the number of people to be rehoused will increase from 5800 in 2000 to 7000 this year. Apart from the 3 cottage areas, are there any other squatter areas that require clearance?

Asked by :

Hon. CHAN Yuen-han

Reply :

The estimated 7000 people to be rehoused in 2001 include squatter clearances from major planned clearances at Hung Shui Kiu, Ho Kar Yuen, Tsuen Wan and North District, squatters near slopes who are offered rehousing on a voluntary basis, and occupants of illegal rooftop structures in the 700 single staircase tenement buildings targeted by Buildings Department for enforcement.



Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 16 March 2001

Bureau Serial No.

HB048

Question Serial No.

1486

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

The Housing Department was criticized by the Audit Commission for repeated delays in the programmed clearances of squatters, cottages and rooftop structures. Please give the figures on the expenses and staffing costs incurred in the financial year 2000-01 as the result of such delays. Have the expenses and costs incurred by such delays been included in the estimates for 2001-02?

Asked by :

Hon. CHAN Yuen-han

Reply :

As far as we know, the Audit Commission has not made comments on clearances of squatter areas, cottage areas and illegal rooftop structures. All development clearance operations are project-led. In the past year, some clearance projects were postponed in order to tie in with the Public Works Programmes. Others were deferred in order to allow more time for Housing Department and the clearances to work out mutually acceptable rehousing arrangements in accordance with the established eligibility criteria. Such postponement did not incur additional expenses and manpower.

Signature \_\_\_\_\_

Name in block letters J.A. Miller

Post Title Director of Housing

Date 19 March 2001

Bureau Serial No.

HB049

Question Serial No.

0409

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head : 43 - Civil Engineering Department      Subhead (No. & title) : 570CL –  
Demolition of buildings, structures and chimneys  
at Kennedy Town Comprehensive Development  
Area

Programme : (3) Site Formation and Reclamation

Controlling Officer : Director of Civil Engineering

Bureau Secretary : Secretary for Housing

Question : Will CED engage a consultant to provide assistance in the design of the demolition of the Kennedy Town Incinerator, in particular the handling of demolition material from the Incinerator? If so, what will be the cost involved?

Asked by : Hon LAU Wong-fat

Reply : We will engage a consultant to undertake the design of the demolition of the Kennedy Town Incinerator. Currently, we are undertaking an Environmental Impact Assessment (EIA) of the demolition works, and the proposed method of demolition and disposal of material will be included in an EIA Report to be submitted for approval under the EIA Ordinance. The cost of the future consultancy for the detailed design of the works will be determined after completion of the EIA when the scope of the works is known. Based on current information available, the design cost is estimated to be in the order of \$3.0 million.

Signature

Name in block letters

Dr. LAU CHING-KWONG

Post Title

Director of Civil Engineering

Date

16 March 2001

Bureau Serial No.

HB050

Question Serial No.

0533

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head : 43 - Civil Engineering Department

Subhead (No. & title) :

B564CL – Development near Choi Wan  
Road and Jordan Valley

B573CL – Development at Cha Kwo  
Ling Kaolin Mine Site

Programme : (3) Site Formation and Reclamation

Controlling Officer : Director of Civil Engineering

Bureau Secretary : Secretary for Housing

Question : (1) What is CED's estimate on the progress of the Jordan Valley site Formation works in this year? What is the estimated expenditure? Can the public housing flat numbers to be provided meet the original plan ?

(2) When will the detailed design of Cha Kwo Ling Kaolin Mine Site formation works commence ? What is the estimated expenditure of the project for Year 2001-2002? Will the Government consult the affected neighbouring residents and District Council again during the detailed design stage ?

Asked by : Hon CHAN Kam-lam

Reply : (1) The Jordan Valley site formation works form part of the works for the development near Choi Wan Road and Jordan Valley. The site formation works are scheduled for commencement in August 2001. At the early stage of construction, the main items of works will include site establishment, excavation and construction of a conveyor belt system. According to the latest estimate, the expenditure of the works in 2001-2002 is in the order of \$100 million. The first population intake for public housing still remains in 2007, as originally scheduled.

- (2) We will commence the detailed design of the site formation works for the development at Cha Kwo Ling Kaolin Mine site in early 2002. As the design will be carried out using in-house resources, we will not require funding for the project in 2001-2002. We will consult the affected neighbouring residents and the relevant District Council again before the scheme is finalised.

Signature	_____
Name in block letters	<u>Dr. LAU CHING-KWONG</u>
Post Title	<u>Director of Civil Engineering</u>
Date	<u>16 March 2001</u>

Bureau Serial No.

HB051

Question Serial No.

1050

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head : 43 - Civil Engineering Department      Subhead (No. & title) : B573CL –  
Development at Cha Kwo Ling Kaolin  
Mine Site

Programme : (3) Site Formation and Reclamation

Controlling Officer : Director of Civil Engineering

Bureau Secretary : Secretary for Housing

Question : Please explain the progress of the Cha Kwo Ling Development project. When will the detailed design of the site formation work be submitted to PWSC for vetting/discussion?

Asked by : Hon Fred LI Wah-ming

Reply : A feasibility study for the Cha Kwo Ling Development is currently underway and is scheduled for completion in early 2002. The detailed design for the works will be carried out using in-house resources. No PWSC submission is required for the design work. A PWSC submission for the construction is planned for 2003.

Signature	_____
Name in block letters	Dr. LAU CHING-KWONG
Post Title	Director of Civil Engineering
Date	16 March 2001

Bureau Serial No.

HB052

Question Serial No.

1467

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head : 43 - Civil Engineering Department      Subhead (No. & title) : B568CL -  
Development at Anderson Road -consultants'  
fees and site investigation

Programme :                      (3) Site Formation and Reclamation

Controlling Officer :      Director of Civil Engineering

Bureau Secretary :      Secretary for Housing

Question :      Under Item B568CL, please elaborate on the progress of the Development at Anderson Road.

Asked by :      Hon Fred LI Wah-ming

Reply :      The detailed design for the development at Anderson Road commenced in July 1999 and is scheduled for completion in early 2002. We gazetted the road works scheme under the Roads (Works, Use and Compensation) Ordinance on 22 September 2000 and the Water Pollution Control (Sewerage) Regulation on 1 December 2000. A total of 8 objections were received. We are currently in the process of consultation with the objectors and other parties affected by the works. We plan to commence construction of the works on site in mid 2002.

Signature

Name in block letters

Dr. LAU CHING-KWONG

Post Title

Director of Civil Engineering

Date

16 March 2001



Bureau Serial No.

HB053

Question Serial No.

0538

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN QUESTION**

Head : 118 - Planning Department

Programme : (1) – Territorial and Sub-regional Planning

Controlling Officer : Director of Planning

Bureau Secretary : Secretary for Housing

Question : Please provide details of the 13-year flat production programme of the Steering Committee on Land Supply for Housing (HOUSCOM).  
What is the expenditure in this area?

Asked by : Hon CHAN Kam-lam

Reply :

The HOUSCOM's 13-year programme is a forecast of flat production potential based on a centralised inventory of housing sites. The purpose of the programme is to ensure adequate land supply to meet long-term housing demand. The centralised inventory is compiled, managed and updated by the Housing Bureau and is operating effectively.

The Planning Department is responsible for providing planning data to the Housing Bureau to assist in compiling the programme, particularly in identifying suitable housing sites and carrying out required planning actions (such as planning studies and amendments to statutory plans) in relation to the final five years of the programme (currently 2008-9 to 2012-13). About 70% (\$17.75 million) of the funds allocated by the Housing Bureau to the Planning Department in respect of staff costs are used for this purpose.

Signature

Name in block letters

B C K FUNG

Post Title

Director of Planning

Date

16 March 2001

Bureau Serial No.

HB054

Question Serial No.

0544

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head : 162      Subhead (No. & title) :

Programme : (4) Landlord and Tenant Services for Domestic Premises

Controlling Officer : Commissioner of Rating and Valuation

Bureau Secretary : Secretary for Housing

Question : With regard to the 21 days target for the endorsement of short term tenancy agreement, the expenditure budget reveals that the reason for an 80% performance was temporary reallocation of staff resources. Please explain for what purposes were the staff resources reallocated?

Asked by : Hon CHAN Kam-lam

Reply : The Rating and Valuation Department can only achieve 80% of the target set for 2000-01 as resources were diverted to assist in the collection of information on the prevailing market rent and tenement particulars for the Household Expenditure Survey conducted by the Census and Statistics Department.

Signature \_\_\_\_\_

Name in block letters KENNETH T W PANG

Post Title Commissioner of Rating and Valuation

Date 19 March 2001

Bureau Serial No.

HB055

Question Serial No.

0545

Examination of draft Estimates of Expenditure 2001-02

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head : 162 Subhead (No. & title) :

Programme: (4) Landlord and Tenant Services for Domestic Premises

Controlling Officer : Commissioner of Rating and Valuation

Bureau Secretary : Secretary for Housing

Question : Please describe the legislative timetable of the revised Landlord and Tenant (Consolidation) (Amendment) Bill and the effect of its implementation on the expenditure of the Department.

Asked by : Hon CHAN Kam-lam

Reply : We plan to introduce the Amendment Bill in the 2000/01 legislative session. The Department estimates that 4 technical officers and 1 clerical officer will be required to handle the additional work generated by the Amendment Bill. The additional staff can be absorbed by surplus resources resulting from the expiry of Part I and Part II of the Landlord and Tenant (Consolidation) Ordinance. An amount of non-recurrent expenditure of about \$1M will be required to upgrade the Department's computer systems. This amount will be absorbed through internal redeployment.

Signature \_\_\_\_\_

Name in block letters KENNETH T W PANG

Post Title Commissioner of Rating and Valuation

Date 19 March 2001