

**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]

Bureau Serial No.	Question Serial No.	Name of Member	Head	Programme
S-HB001	S090	FUNG Kin-kee	150	1
S-HB002	S110	HO Chun-yan	150	1
S-HB003	S109	HO Chun-yan	62	1

Bureau Serial No.

S-HB001

Question Serial No.

S090

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 the Secretary for Housing's reply to point 2 of the Hon Albert Ho Chun-yan's question (HB025) on steering consultancy studies on older urban areas in Ngau Tau Kok, Shek Kip Mei, Cheung Sha Wan and Homantin, it is known that the studies have been completed. I would like to ask further whether the study reports will be made public and whether views will be sought from the relevant District Councils and those who are affected.

Asked by : Hon Fung Kin-kee

Reply :

The Administration is now considering the results of the four restructuring studies. Appropriate consultation with District Councils and other concerned parties will be held in due course.

Signature

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 26 March 2001

Bureau Serial No.

S-HB002

Question Serial No.

S110

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) Will the Housing Bureau allocate resources to study ways to help those who benefit from the Government's various assistance schemes and have become owners of negative assets, such as extending the repayment period or allowing them to pay back only the principal but not the interests of the loans for the time being?
 - (b) In 1998, the Legislative Council approved a funding of \$18 billion for the Government to set up the Home Starter Loan Scheme, which will help the public to attain home ownership. Some owners of negative assets are now finding it difficult to make their repayments. They are owner-occupants but not speculators. Why is the government willing to offer housing loans to people but not willing to offer loans to lessen their burden in making the repayments? Will the Administration allocate resources to study offering low interest loans to owners of negative assets or other forms of assistance?

Asked by :

Hon HO Chun-yan

Reply :

- (a) Default rate under the various subsidised housing loan schemes is very low. Notwithstanding this, we are examining with relevant departments whether some administrative measures could be taken to assist loan recipients who have difficulty in repaying their monthly instalments to the Government. No conclusion has yet been reached.
- (b) With the recovery of the economy, reduction of mortgage rate and the development of a stable and healthy property market, the Government hopes that owners of negative assets will experience a gradual improvement in their predicament. The Government upholds the principle of free economy, and will allow the private property market to operate freely without unnecessary intervention. Thus the Government will not consider setting up any funds or loan schemes to assist owners of negative assets. The public is also generally against the idea of the Government providing financial assistance to individual investors.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	26 March 2001

Bureau Serial No.

S-HB003

Question Serial No.

S109

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 actual provision of the Housing Department for 1999-2000 was \$511.70 million while its actual expenditure was \$465.92 million, the difference being \$45.78 million. Please explain why there was such a substantial difference?

Asked by :

Hon. Ho Chun Yan

Reply :

The variance between the actual provision and the actual expenditure for 1999-2000 was mainly due to the followings :

- (a) Some of the vacant posts were not filled;
- (b) Lower share of Head Office administrative overheads;
- (c) Lower expenditure on rents for outstation offices due to decrease in rental value;
- (d) Lower expenditure on overtime and subsistence allowances paid to staff outside normal office hours because the number of incidents of natural disaster occurred was less than estimated; and
- (e) Stringent control of budget — for example, some office improvement programmes were suspended and replaced by minor maintenance works, and the

purchase of new computers was replaced by upgrading programmes.

Signature _____

Name in block letters J.A. Miller

Post Title Director of Housing

Date 26 March 2001