

立法會
Legislative Council

LC Paper No. CB(1) 234/00-01

(These minutes have been seen
by the Administration)

Ref: CB1/PL/HG/1

LegCo Panel on Housing

**Minutes of meeting held on
Tuesday, 24 October 2000, at 8:30 am
in the Chamber of the Legislative Council Building**

- Members present** : Hon CHAN Kam-lam (Chairman)
Hon Albert HO Chun-yan (Deputy Chairman)
Hon LEE Cheuk-yan
Hon Fred LI Wah-ming, JP
Hon NG Leung-sing
Hon CHAN Yuen-han
Hon LEUNG Yiu-chung
Hon Howard YOUNG, JP
Hon Andrew CHENG Kar-foo
Hon SZETO Wah
Hon Abraham SHEK Lai-him, JP
Hon Albert CHAN Wai-yip
Dr Hon LO Wing-lok
Hon Frederick FUNG Kin-kee
Hon IP Kwok-him, JP
- Members absent** : Hon David CHU Yu-lin
Hon James TO Kun-sun
Hon Andrew WONG Wang-fat, JP
Dr Hon YEUNG Sum
Hon LAU Ping-cheung
- Public officers attending** : Mrs Elaine TANG
Principal Assistant Secretary for Housing (2)
- Mr Y K CHENG
Business Director/Allocation and Marketing (Acting)
- Mr K N CHEUNG
Assistant Director/Operations and Redevelopment

Clerk in attendance : Miss Odelia LEUNG
Chief Assistant Secretary (1)1

Staff in attendance : Mr Jimmy MA
Legal Adviser

Ms Pauline NG
Assistant Secretary General 1

Miss Becky YU
Senior Assistant Secretary (1)3

I Confirmation of minutes of last meeting
(LC Paper No. CB(1) 76/00-01)

The minutes of the meeting held on 10 October 2000 were confirmed.

II Information paper issued since last meeting

2. Members noted that no information paper had been issued since last meeting.

III Date of next meeting and items for discussion

3. Members agreed to discuss the following at the next regular meeting on Monday, 6 November 2000, at 2:30 pm:

- Review of loan quotas for non-elderly singletons under Home Starter Loan Scheme;
- Review of statutory procedures for repossession of domestic premises and recovery of rent; and
- Maintenance and management of Tenants Purchase Scheme estates.

(Post-meeting note: At the request of the Administration and with the concurrence of the Chairman, the last item was subsequently replaced by the subject of “Noise mitigation measures for Housing Sites Nos. 6 and 10 at West Kowloon Reclamation”.)

IV Policy on clearance of Temporary Housing Areas and Squatter Areas (LC Paper No. CB(1) 79/00-01(01))

Temporary housing areas (THAs)

4. Mr Frederick FUNG Kin-kee recalled that the “9.23 Policy” was introduced in 1995 to tackle the acute shortage in supply of public rental housing (PRH) flats at that time. Given the small number of remaining THAs as a result of past clearance operations and the abundant supply of 150,000 public housing flats over the next few years, Mr FUNG considered that the Administration should relax the rehousing criteria, including the “9.23 Policy”, for THA residents. The Business Director/Allocation and Marketing (Acting) (BD/A&M (Ag)) clarified that of the 150,000 public housing flats referred to, about 50% were PRH flats and the rest were subsidized home ownership (SHO) flats. The proposed use of the PRH flats to rehouse THA residents would inevitably affect the Administration’s pledge to reduce the average waiting time for PRH to five years by 2001 and three years by 2003. Mr FUNG was not convinced of the Administration’s response. He pointed out that the ratio of PRH would increase following the transfer of some of the SHO flats to PRH. In view of the small number of remaining THAs, the use of PRH flats to rehouse the residents concerned should not affect the average waiting time for PRH. BD/A&M (Ag) replied that it was a matter of principle to ensure consistency in implementing the rehousing policy for THAs.

Squatter areas (SAs)

5. Miss CHAN Yuen-han considered it unfair to exclude squatters who were not covered by the 1984/85 Squatter Occupancy Survey but had been residing in SAs for a long time from rehousing to PRH. These included the some 500 households affected by the impending Diamond Hill Squatter Clearance (DHSC). She pointed out that these households should have been rehoused to PRH had they been told by the Housing Department (HD) to register on the Waiting List (WL) for PRH at the outset. In response, the Principal Assistant Secretary for Housing (2) (PAS for H (2)) confirmed that HD had all along been encouraging squatters to register on WL. In fact, many squatters had been rehoused to PRH upon maturity of their applications. As regards DHSC, BD/A&M (Ag) advised that as at 20 October 2000, 1,709 affected households had accepted rehousing arrangements and 505 pending rehousing offer. Of these 505 households, 44 would be eligible for PRH while the remaining 461 would be rehoused to interim housing (IH) in Kwai Shing Estate and Po Tin IH in Tuen Mun.

6. Given the large number of households pending rehousing offer, Miss CHAN urged the Administration to defer DHSC scheduled for 14 November 2000 until all the affected households were properly rehoused. The Chairman also enquired when squatters were informed of the clearance. The Assistant Director/Operations and Redevelopment (AD/O&R) advised that DHSC would be carried out in eight phases. HD announced on 12 October 2000 that the first phase of DHSC would be implemented on 14 November 2000. Since then, efforts had been made by HD staff to encourage squatters concerned to accept the rehousing offer and to move out of the Diamond Hill SA as soon as possible. Up till now, all except about ten households

affected by the first phase of DHSC had accepted rehousing offer. PAS for H (2) added that although DHSC was announced on 12 October 2000, squatters concerned were well aware that the Diamond Hill SA was subject to clearance. She stressed that the objective of squatter clearance was to improve the living conditions of residents and called for members' assistance to persuade residents concerned to accept the rehousing arrangements.

Rehousing arrangements

7. Mr Fred LI Wah-ming considered paragraph (a) of Annex B to LC Paper No. CB(1) 79/00-01(01) misleading. He pointed out that contrary to what was stated in the paper, squatter clearances and THA residents who were not eligible for PRH were not rehoused to IH in the same or nearby districts but to Po Tin IH in Tuen Mun which was far away from the neighbourhood they were accustomed to. This would cause undue disruptions to their daily routine, particularly to the elderly and students who had to travel a long way to school. Mr LI therefore urged the Administration to seriously reconsider converting old urban PRH estates due for redevelopment into IH as proposed by the Subcommittee on Rehousing Arrangements for Residents Affected by Clearance of Squatter Areas (the Subcommittee) formed under the Housing Panel in the previous legislative term. Mr LI's views were shared by Mr Andrew CHENG Kar-foo and Miss CHAN Yuen-han.

8. In reply, PAS for H (2) clarified that Annex B set out the general rehousing arrangements for residents affected by Government clearances. The paper stated clearly that as far as practicable and subject to availability of resources, clearances would be offered PRH or IH according to their eligibility. Tuen Mun and Tin Shui Wai were not as remote and distant from urban areas as perceived given the present transport network. Tuen Mun was serviced by the Light Rail and a number of bus routes. She stressed that the facilities in new purpose-built IH units which were equipped with self-contained toilets and kitchens were much better than those in THAs and SAs. Supporting facilities such as shopping and community centres were available in the proximity. Moreover, where necessary, the Education Department would assist the affected students to transfer school. As regards rehousing for the elderly, PAS for H (2) advised that HD had in place a number of housing schemes through which public housing would be provided for the elderly on a priority basis. Deserving cases would be referred to the Social Welfare Department for consideration of compassionate rehousing according to individual merits.

9. Mr LEUNG Yiu-chung expressed concern that the cost of living of clearances, particularly in respect of travelling, would increase after rehousing to IH in Tuen Mun. PAS for H (2) noted Mr LEUNG's view but advised that various types of assistance were available to help IH tenants in genuine financial hardship. These included the Rent Assistance Scheme and the Comprehensive Social Security Assistance (CSSA). Mr LEUNG however pointed out that it would be against the Government's policy to encourage people to work instead of applying for CSSA. In reply, PAS for H (2) clarified that it was not the Administration's intention to encourage the application of CSSA which was one of the means available to help the needy. BD/A&M (Ag) remarked that rehousing to IH in Tuen Mun should not aggravate the financial burden

of clearerees given the low rentals of IH which ranged from \$330 for a one-person flat to \$1,120 for a five-person flat. The prevailing average median rent-to-income (MRIR) ratio of IH was about 6.7% which should be well within the affordability of tenants. AD/O&R supplemented that IH tenants in temporary financial hardship who satisfied the following criteria could apply for rent assistance:

- the household income was below 50% of Waiting List Income Limit (WLIL); or
- rent-to-income ratio (RIR) exceeded 25%; or
- the household income was between 50% and 60% of WLIL and RIR exceeded 15%.

10. As regards the proposed conversion of old urban PRH estates into IH, AD/O&R advised that the Administration had considered the proposal and concluded that it was not feasible. By way of illustration, the Subcommittee had proposed to reserve Block 23 of Tung Tau Estate and Blocks 14 and 15 of Wong Tai Sin Estate as IH. As these blocks had been scheduled for redevelopment under the Comprehensive Redevelopment Programme, any delay in the demolition of these blocks would affect the overall redevelopment programme. Besides, as WL applicants could only opt for PRH in extended urban areas, the New Territories (NT) and Islands, clearerees who were eligible for IH should be likewise rehoused to these areas. While agreeing that it was better to build PRH than IH in urban areas, Mr Frederick FUNG Kin-kee opined that consideration should be given to providing IH in extended urban areas as in the case of Kwai Shing Estate and Shek Lei Estate. This would help reduce resistance from residents affected by Government clearances, including urban renewal and demolition of rooftop structures. AD/O&R advised that the provision of IH blocks in Kwai Shing Estate and Shek Lai Estate was meant to meet the short-term demand for IH. Now that new purpose-built IH blocks were available, full use should be made of these facilities.

11. Mr Albert CHAN Wai-yip was disappointed that the Administration had ignored the views of members, SA clearerees and THA residents in allocating rehousing resources. He held the view that IH should be provided in different areas to ensure local rehousing on the one hand and to avoid confrontation on the other. PAS for H(2) considered Mr CHAN's proposal not feasible as this would incur substantial financial and management problems. She added that the Administration had taken into account the views of different sectors in formulating the rehousing policy. Since new WL applicants could only opt for PRH in extended urban areas, NT and Islands, clearerees who were rehoused to IH would eventually be offered PRH in these areas when their WL applications matured. Moving to these areas now would help them familiarize with the environment pending allocation of PRH. Mr Howard YOUNG expressed concern that IH tenants might have to move out of Tuen Mun and Tin Shui Wai upon maturity of their PRH applications. BD/A&M (Ag) assured members that there would be sufficient PRH in both Tuen Mun and Tin Shui Wai for allocation to IH tenants.

12. As it was the Administration's decision to clear THAs and SAs, Mr Abraham SHEK Lai-him considered it the responsibility of the Administration to rehouse the clearers according to their needs. He suggested that the Administration should seek assistance from the Housing Society (HS) which had helped the Land Development Corporation in rehousing residents affected by urban renewal. As far as he knew, HS had some old rental flats in Tsuen Wan which could be used for the purpose of IH. BD/A&M noted Mr SHEK's view but pointed out that rental flats of HS had to be used for allocation to WL applicants. As an alternative, the Chairman opined that the Administration should consider relaxing the Anticipatory Housing Scheme so that clearers whose turn for allocation would come up in the next 24 months instead of 12 months would be offered PRH to obviate the need for double moving within a short period of time. He also urged the Administration to consider offering a special allowance to clearers who had to move from urban areas to NT for residence.

13. Mr LEE Cheuk-yan expressed great disappointment that the Administration should persist in providing IH in Tuen Mun and Tin Shui Wai, which in his view was to nobody's benefit as the residents, HD staff and the police would suffer in the event of confrontation. Expressing similar concern, Mr Andrew CHENG Kar-foo and Mr SZETO Wah urged the Administration to defer clearance of SAs and THAs until acceptable rehousing arrangements had been worked out. PAS for H (2) advised that clearance operations had been deferred on several occasions in the past at clearers' request. Further deferral was not possible. She reiterated that the objective of THA and SA clearances was to improve the living conditions of residents concerned. HD would step up efforts to persuade clearers to accept the rehousing arrangements and assistance from members in this regard would be most welcomed. At the Chairman's request, the Administration undertook to provide information on the following:

- the timetable for clearing the remaining eight THAs, when their clearances were first announced and whether there had been any deferral of clearance; and
- the respective number of households affected by recent clearances which had accepted or declined the rehousing arrangements offered by HD.

(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1) 176/00-01 on 15 November 2000.)

14. As a consolidated view of the Panel, Mr LEE Cheuk-yan moved and Miss CHAN Yuen-han seconded the following motion:

“That the LegCo Panel on Housing urges the Administration to suspend clearance of temporary housing areas, squatter areas and cottage areas until a consensus on the rehousing arrangements has been reached with the Panel.”

The motion was unanimously passed by all members present at the meeting. The Chairman instructed that the motion be conveyed to the Administration.

(Post-meeting note: A letter on the motion was issued to the Administration on 25 October 2000.)

15. Members also agreed to establish a Subcommittee to examine in depth rehousing arrangements for residents affected by clearance of temporary housing areas, squatter areas and cottage areas.

(Post-meeting note: A notice to invite membership for the Subcommittee was issued to members vide LC Paper No. CB(1) 96/00-01 on 25 October 2000.)

V Policy on clearance of Cottage Areas (LC Paper No. CB(1) 79/00-01(02))

16. Miss CHAN Yuen-han reiterated that the Administration should compensate residents for the loss of self-owned superstructures upon clearance of cottage areas (CAs). Expressing similar view, Mr IP Kwok-him noted that unlike CA clearances, owners of private premises affected by Government clearances would be compensated for the loss of their properties. He questioned the rationale behind the two different compensation arrangements. PAS for H (2) clarified that as owners of private premises had legal entitlement to the land, it was necessary for the Government to compensate them upon clearance. CA residents however did not hold legal titles to the land. They were only given the right to erect superstructures at their own cost on Government land by paying permit fees to HA. They were obliged to vacate their structures upon receipt of the three-month Notice-to-Quit issued by HA. There was no legislation which provided for compensation for the demolition of these superstructures.

17. Mr IP pointed out that CA residents were not subject to the three-month Notice-to-Quit before 1958. PAS for H (2) explained that the Emergency (Resettlement Areas) Regulations under the Emergency Regulations Ordinance which provided for the resettlement of CA residents were in existence since 1952. The Resettlement Ordinance enacted in 1958 sought to consolidate the Emergency (Resettlement Areas) Regulations and other related legislation then in force to clearly define residents' contractual right to occupy CAs subject to, among other things, the three-month Notice-to-Quit. The Resettlement Ordinance was subsequently repealed in 1973 by the Housing Ordinance (Cap. 283), which empowered the HA to manage CAs and enforce the conditions of permits.

Clearance of Tung Tau Cottage Area (TTCA)

18. Mr SZETO Wah requested the Administration to clarify whether the following undertakings had been made by HD staff during the meeting with TTCA residents on 19 September 2000:

- clearance of TTCA would be deferred until all the residents had been properly rehoused;

- TTCA residents would be rehoused to PRH flats in higher floors of the upper blocks of Upper Wong Tai Sin Estate (UWTSE); and
- TTCA residents would have retrospective right for any compensation to be offered by the Government to future CA clearances.

19. In response, AD/O&R clarified that HD had never pledged to defer clearance of TTCA until all affected households had been rehoused. He added that UWTSE was earmarked for rehousing households affected by redevelopment of PRH estates. As there were surplus units, these were used to rehouse TTCA residents. Besides, HD had only agreed to offer flats in the upper blocks of UWTSE to TTCA residents as far as practicable. Mr Fred LI Wah-ming, Miss CHAN Yuen-han, Mr IP Kwok-him and Mr Frederick FUNG Kin-kee who were present at the meeting affirmed that HD staff had undertaken to allocate reception flats not lower than the fifth floor to TTCA residents.

20. As regards compensation, AD/O&R advised that the Government had made it clear that it was not appropriate to use public funds to compensate residents for the loss of self-owned superstructures upon clearance of CAs. Mr LEE Cheuk-yan however pointed out that the removal allowance of \$600,000 for a weaving factory of 6,000 square feet in TTCA was insufficient for the owner to remove the machinery, let alone to continue his business elsewhere. He urged that in addition to the granting of a removal allowance, HD should offer reprovisioning for the factory concerned. PAS for H (2) explained that the amount of removal allowance was calculated in accordance with the formula approved by the Finance Committee (FC) of the Legislative Council in 1988 and the rate was reviewed every year. The Administration did not have the discretion to adjust the amount. AD/O&R added that under the existing policy, there was no provision for reprovisioning of non-domestic premises affected by clearances. Nevertheless, operators might be given the opportunity to rent industrial premises managed by HD.

21. While acknowledging that the Administration did not have the discretion to adjust the amount of removal allowance, Mr Fred LI Wah-ming asked if it would consider seeking the approval of FC to grant a special ex gratia allowance to deserving cases. In reply, PAS for H (2) emphasized that apart from the permit fees, domestic and non-domestic residents of CAs were not required to pay any rent or rate for occupation of Government land. The purpose of granting the removal allowance was to enable them to move out of the CAs upon clearance. As the formula for removal allowance was applicable to all clearances, the Administration considered it inappropriate to put up individual cases to FC for special treatment lest this would set a bad precedent.

22. Mr SZETO Wah expressed concern that the service currently provided by the Apostolic Faith Church of Hong Kong (AFCHK) would cease after clearance of TTCA. He urged HD to reprovision AFCHK to nearby estates so that it could continue its service. AD/O&R explained that AFCHK, like other non-domestic TTCA residents, was only eligible for an ex gratia allowance. Although efforts were being made to

assist AFCHK to relocate its service, HD found it difficult to accede to its request for a large premises of over a few thousand square feet without structural columns in the redeveloped Tung Tau Estate site. AFCHK should register its request for welfare premises in the redeveloped site with the Social Welfare Department which would consider the individual merits of applications from voluntary agencies before making recommendation to HD for the allocation of premises for welfare use.

23. Members did not accept the Administration's explanation. As a consolidated view of the Panel, Miss CHAN Yuen-han moved and Mr Fred LI Wah-ming seconded the following motion:

“That the LegCo Panel on Housing urges the Administration to grant a special ex gratia allowance to residents affected by clearance of cottage areas.”

The motion was unanimously passed by all members present at the meeting. Mr SZETO Wah suggested and members agreed that the subject be brought to the attention of the House Committee at its meeting on 27 October 2000. The Chairman instructed that the motion be conveyed to the Administration.

(Post-meeting note: A letter on the motion was issued to the Administration on 25 October 2000.)

VI Any other business

Discussion on the proposed establishment of a select committee on piling problems in public housing

(LC Paper No. CB(1) 79/00-01(03))

24. At the invitation of the Chairman, Assistant Secretary General 1 briefed members on the paper prepared by the LegCo Secretariat setting out the courses of follow-up actions which might be taken to examine the building problems in public housing as revealed in a number of incidents relating to the housing developments of HA. These included the excessive uneven foundation settlements in Tin Chung Court (TCC), the piling problems at Shatin Area 14B Phase 2 (Yuen Chau Kok (YCK)), the suspected use of rejected substandard reinforcement in Tung Chung Area 30 Phase 3 and the suspected use of substandard construction materials in the Redevelopment of Shek Yam Estate Phase 2. She drew members' attention to paragraph 8 of the paper which stated the manner in which proceedings might be taken.

25. As a member of the working group set up under the Panel to provide initial views on the subject, Mr Albert HO Chun-yan remarked that the working group considered that the building problems in public housing was a very serious matter, and that follow-up action was required to find out what had led to the various problems in the construction of public housing in the four incidents. The working group was aware that a number of investigations/studies relating to these incidents had been conducted or still in progress. There was however question on the efficacy of some of these investigations, particularly those into TCC and YCK cases as they were

instituted by HA and the investigation panels concerned did not have the statutory power to order the attendance of witnesses at hearings or the production of documents by parties concerned. An enquiry instituted by the Legislative Council under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) on the other hand would have the power to compel witnesses to attend hearings of a committee or Panel of the Council. While acknowledging that the persons likely to be summoned to give evidence might be subjects of current criminal investigations, the working group noted that it had been the practice in previous LegCo enquiries to avoid obtaining evidence on subjudice matters by either adjourning the proceedings of the enquiry until court proceedings/investigations on such persons had been completed or avoid summoning such persons. Hearings might also be conducted in camera if it was considered necessary to protect the persons giving the evidence or the parties concerned. To find out the causes of the building problems in the four incidents, Mr HO considered that an independent and comprehensive enquiry on the matter by the Council was necessary. He suggested that the Panel be authorized to summon witnesses under Rule 80 of the Rules of Procedure by resolution in the Council as proposed in paragraph 8(a) of the paper.

26. As an enquiry under the Panel would preclude the participation of non-Panel Members, Mr Fred LI Wah-ming considered it more appropriate to form a select committee as proposed in paragraph 8(b) of the paper. Mr Andrew CHENG Kar-foo enquired about the difference between an enquiry conducted by a Panel and that by a select committee. The Legal Adviser explained that there was no difference in terms of the power of the Panel and the select committee. He pointed out that the term of a select committee would follow that of a legislative term and its membership would remain unchanged throughout the entire term. The membership of a Panel however would be re-opened at the beginning of each legislative session and there might be change in membership.

27. Miss CHAN Yuen-han and Mr CHENG Kar-foo were in favour of setting up a select committee. Mr Albert HO Chun-yan said that he had no objection to the establishment of a select committee. Mr HO then moved and Mr Fred LI Wah-ming seconded that the proposal in paragraph 8(b) of the paper be adopted. Of the members present at the meeting, Mr Albert HO Chun-yan, Mr Fred LI Wah-ming, Mr Abraham SHEK Lai-him and Mr Albert CHAN Wai-yip voted for the motion and Mr NG Leung-sing, Dr LO Wing-lok and Mr IP Kwok-him abstained. The Chairman advised that he would make a verbal report on the deliberations of the Panel at the meeting of the House Committee on 27 October 2000, to be followed by a written report which would be submitted to the House Committee for consideration at its meeting on 3 November 2000.

(Post-meeting note: The report of the Panel was circulated to Members vide LC Paper No. CB(1) 117/00-01.)

28. There being no other business, the meeting ended at 10:35 am.