

**Presentation by Secretary for Housing
at the Special Meeting of the Finance Committee
on Tuesday, 26 March 2002**

Mr Chairman,

TEAM

Introduce other members of my team –

Director of Housing	Mr. J. A. Miller
Director of Lands	Mr. R. D. Pope
Director of Planning	Mr. Bosco C. K. Fung
Commissioner of Rating & Valuation	Mr. Kenneth Pang
Deputy Secretary for Housing (2)	Mr. Andrew Wells

HOUSING EXPENDITURE

(A) Total public expenditure (recurrent + capital)

Total public expenditure on housing in 2002-03 –

- represents **10% of total public expenditure in 2002-03.**
- is **\$28 735 million.**

(B) Recurrent public expenditure

Recurrent public expenditure on housing in 2002-03 –

- represents **5.6% of total recurrent public expenditure in 2002-03.**
- is **\$12 235 million.**
- comprises –
 - **95% for the Housing Authority.**
 - **5% for Government departments.**

(C) Capital public expenditure

Capital public expenditure on housing in 2002-03 –

- represents **24.5% of total public capital expenditure in 2002-03.**

- is **\$16 500 million**.
- comprises –
 - **99.5%** for the **Housing Authority**.
 - **0.5%** for **Government departments**.

MATTERS OF INTEREST: HOUSING BUREAU MANPOWER

- The **total number of staff** in the Housing Bureau in 2002-03 (establishment) will be **58**, a net **decrease of one** against 2001-02.
- One post of **Senior Engineer** will be **deleted**.

MATTERS OF INTEREST: SPECIAL TASKS

- Highlight tasks requiring **special attention** in **2002-03**.
 - A. Provision of 50 000 housing assistance opportunities annually**
 - In the 2001 Policy Address, the Government reaffirmed its target of providing **50 000 housing assistance opportunities a year** to meet **long term demand** from eligible households.
 - Out of this total, we will provide **about half** in the form of **rental opportunities (public rental flats and rental allowances)**. The **balance** will be **offered** in the form of **home ownership assistance, including –**
 - (a) **subsidised home ownership flats for sale**; and
 - (b) **housing loans**.
 - The **quantum** of loans and allowances to be made available each year is a matter for **discussion between the Government and the Housing Authority**.
 - B. Rental subsidy for non-elderly households**
 - We are exploring the **feasibility** of providing **rental allowances** in lieu of public rental housing to eligible **non-elderly applicants** on the Waiting List when their turn comes for flat allocation.
 - Rental subsidies provide an **alternative** choice to eligible applicants who prefer to live in private flats which they find more suitable in terms of location, design and size.

If feasible, a pilot scheme will be introduced to provide rental allowances to eligible non-elderly households in the new financial year. We will continue to discuss our proposals with the Housing Authority and the Legislative Council Panel on Housing.