

**Speech by Secretary for Transport and Housing
at the Legislative Council Special Finance Committee Meeting
on 2 April 2008**

Madam Chairman,

I would like to brief Members on the Government's major initiatives on housing in the new financial year.

Supply of Public Housing

2. On public rental housing, the Government and the Hong Kong Housing Authority will continue to identify suitable land and monitor the progress of supply of public housing sites to ensure an adequate land supply for public rental housing development. In the planning process, the Housing Department will liaise closely with the departments and local communities concerned to ensure a smooth implementation of the public housing programme, with due regard to the development needs of the districts concerned. In the next five years, we believe that there will be an adequate supply of public housing to maintain the average waiting time for general applicants for public rental housing at around three years.

Appeal Panel (Housing)

3. In the new financial year, we propose to provide additional resources to the Appeal Panel (Housing) for processing appeals lodged by tenants against termination of leases. We will implement measures such as strengthening staffing support to the Appeal Panel Secretariat, increasing the number of Panel Members and arranging more hearing sessions to expedite the processing of appeal cases and reduce the waiting time for hearing.

Private Property Market

4. On the private residential property market, we will continue our efforts to maintain a fair and free environment to allow a stable development of the market. In addition, we will continue to closely monitor the operation of the developers' self-regulatory regime for the sale of uncompleted flats, in order that accurate market information would be made available to property buyers. We will also maintain liaison with the Real Estate Developers Association of Hong Kong, the Consumer Council and the Estate Agents Authority to jointly explore ways to further enhance the transparency of the property market.

5. With the recovery of the economy in the recent years, the property prices and the number of transactions of private residential properties have been on the rise. Some Members have expressed concern over the situation and suggested that the Government should consider relaunching some previous subsidized home ownership schemes such as the Home Ownership Scheme and the Home Assistance Loan Scheme to promote home ownership. I appreciate Members' concern in this respect but would also like to point out that since 2002, the housing policy of the Government has been to concentrate land and financial resources on providing public rental housing for low-income families that cannot afford private rental housing. Since the implementation of this policy, our public rental housing programme has been carried out smoothly and the private residential property market has maintained a stable development. Given the far-reaching implications of various subsidized home ownership schemes for the private residential property market and the economy as a whole, we must exercise prudence in our consideration of the matter.

6. We will continue to pay close attention to the supply and property prices of private residential properties as we have all along been doing. Provision has been made in the coming year for the commissioning of a consultation study to strengthen the collection and analysis of data on the private residential property market. We will also continue to closely monitor the turnover of public rental housing flats and change in the waiting time for public rental housing, and study the effectiveness of the current measures in promoting turnover of public rental housing flats under the prevailing private property market condition. The findings of these studies will help us assess whether any forms of subsidized home ownership schemes should be considered for implementation.

Conclusion

7. In conclusion, the Government will continue to provide resources to assist low-income families to resolve their housing problems through the work of the Housing Authority, while maintaining a stable, free and highly transparent private residential property market. My colleagues and I will be pleased to take questions from Members. Thank you.