

立法會
Legislative Council

LC Paper No. CB(1)2319/07-08
(These minutes have been seen
by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

Minutes of meeting
held on Monday, 7 July 2008, at 2:30 pm
in the Chamber of the Legislative Council Building

Members present : Hon LEE Wing-tat (Chairman)
Hon WONG Kwok-hing, MH (Deputy Chairman)
Hon Fred LI Wah-ming, JP
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon James TO Kun-sun
Hon CHAN Yuen-han, SBS, JP
Hon CHAN Kam-lam, SBS, JP
Hon LEUNG Yiu-chung
Dr Hon YEUNG Sum, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon LI Kwok-ying, MH, JP
Dr Hon Joseph LEE Kok-long, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung

Member absent : Prof Hon Patrick LAU Sau-shing, SBS, JP

Public officers attending : Agenda Item III

Mr LAU Kai-hung, JP
Deputy Director (Estate Management)
Housing Department

Ir Dr H W PANG
Chief Manager/Management (Support Services 5)
Housing Department

Agenda Item IV

Mr Thomas C Y CHAN, JP
Permanent Secretary for Transport and Housing
(Housing)

Miss Mary CHOW Shuk-ching, JP
Deputy Secretary for Transport and Housing (Housing)

Mr Eugene FUNG
Principal Assistant Secretary for Transport and Housing
(Private Housing)

Clerk in attendance : Ms Connie SZETO
Chief Council Secretary (1)6

Staff in attendance : Ms Sarah YUEN
Senior Council Secretary (1)6

Ms Michelle NIEN
Legislative Assistant (1)9

Action

I Confirmation of minutes
(LC Paper No. CB(1)2025/07-08 -- Minutes of meeting on 8 April 2008)

The minutes of the meeting held on 8 April 2008 were confirmed.

II Information papers issued since last meeting

2. Members noted that no paper had been issued since the last regular meeting held on 17 June 2008.

III Report on the findings of the Comprehensive Structural Investigation on Wah Fu Estate and way forward

(LC Paper No. CB(1)2057/07-08(01) -- Administration's paper on report on the findings of the Comprehensive Structural

Investigation on Wah Fu Estate
and way forward

LC Paper No. CB(1)2129/07-08 - Administration's paper on report
(tabled at the meeting and on the findings of the
subsequently issued via e-mail on Comprehensive Structural
8 July 2008) Investigation on Wah Fu Estate
and way forward (power-point
presentation materials))

Briefing by the Administration

3. With the aid of powerpoint, the Chief Manager/Management (Support Services 5), Housing Department (CM/M(SS5)) briefed members on the outcome of the comprehensive structural investigation conducted under the Comprehensive Structural Investigation Programme (CSIP) on Wah Fu Estate and the recommended structural repair and improvement works (the repair works). Members noted that the investigation had revealed that all the domestic buildings were structurally safe. To sustain the buildings for 15 years or more, repair works would be conducted in various parts of the buildings. In addition, to further enhance the living environment of the Estate, the Housing Authority (HA) would conduct other estate improvement works under the Estate Improvement Programme (EIP).

Discussion

The decision to sustain Wah Fu Estate

4. Dr YEUNG Sum welcomed HA's decision to sustain instead of redevelop Wah Fu Estate to avoid rehousing affected tenants, who were mostly elderly people and retirees who had difficulty affording the higher rents of new estates. Mr CHAN Kam-lam, the Chairman and Miss CHAN Yuen-han also indicated support for the decision.

5. In reply to Dr YEUNG and Mr Frederick FUNG on the cost-effectiveness of sustaining Wah Fu Estate, the Deputy Director of Housing (Estate Management) (DD(EM)) elaborated that since the Estate was close to the seashore and hence was more vulnerable to severe environmental conditions leading to corrosion of steel bars in the concrete, the estimated repair cost for the Estate, at \$20,000 per flat, was moderately higher than that of below \$12,000 per flat required for aged estates recommended to be sustained in the past. The total repair cost for the entire Estate, which provided more than 9 100 flats, was about \$180 million. It was estimated that the same amount could produce only about 500 new PRH flats. Recognizing the cost-effectiveness of sustaining the Estate and the difficulty in making rehousing arrangement for affected tenants in vicinity estates during the redevelopment process, Dr YEUNG re-iterated support for the decision to sustain the Estate.

6. Mr LEUNG Yiu-chung expressed similar concern about the cost-effectiveness of sustaining Wah Fu Estate. He pointed out that if the repair works were confined to replacement of defective concrete parts and steel reinforcement, major repair works might be required after a few years. He considered that HA should take into account the cost of likely subsequent repair works in assessing the cost-effectiveness of sustaining the Estate. Mr LEUNG Kwok-hung shared the views.

7. DD(EM) advised that the cost of producing a public rental housing (PRH) flat ranged from \$300,000 to \$400,000 as compared to the estimated repair cost of only \$20,000 per flat for Wah Fu Estate. CM/M(SS5) supplemented that Housing Department (HD) would conduct thorough and comprehensive repair works for the Estate. Where necessary, the whole concrete element or steel reinforcement instead of only the defective parts in identified areas would be replaced. Moreover, as shown in pages 15 and 16 of the power-point, additional measures such as application of external-use paint, waterproofing, etc. would be taken when conducting in-flat repair works to minimize water seepage and corrosion of steel bars.

8. Mr LEUNG Yiu-chung was keen to ensure that affected tenants of Wah Fu had been thoroughly consulted before HA made the decision to sustain the Estate. It was because despite the introduction of less-disturbing repair methods, nuisances might inevitably arise during the work process. DD(EM) assured members that as in previous structural investigations for aged PRH estates, the findings would be announced. Consultation with the Estate Management Advisory Committees and district councillors concerned had been conducted. Tenants' views had also been sought through daily contact and carefully considered by HA before the decision to sustain the Estate was made. Mr LEUNG and the Chairman however opined that to address concerns of affected tenants and consult their views on new facilities to be provided under EIP, HD should hold forums with tenants to explain the details and solicit their views.

9. Mr LI Kwok-ying enquired whether findings of the structural investigation of Wah Fu Estate matched the original expectation of HD, and whether large-scale repair works would be required during the ensuing 15 years after the completion of the repair works. DD(EM) re-iterated that since the Estate was close to the seashore and hence was more vulnerable to severe environmental conditions, its structural condition was worse than estates recommended to be sustained in the past, such as Model Housing Estate and Choi Hung Estate. However, the condition was still within HD's expectation. As regards the concern about undertaking further repair works for the Estate, DD(EM) said that though small-scale maintenance works would be conducted under the Total Maintenance Scheme (TMS), large-scale structural repair works should not be required after completion of the repair works.

10. Mr LEUNG Kwok-hung opined that consideration should be given to redeveloping Wah Fu Estate. DD(EM) re-iterated that a decision to keep an estate under CSIP would be made if the investigation results confirmed that the building

blocks were structurally safe, and that it would be more cost-effective to sustain the buildings through repair and structural strengthening works than to demolish them. He added that thorough structural investigation on the Estate would be conducted again at the end of the 15-year period. A decision to further sustain or demolish the Estate would be made in the light of the outcome of the new structural investigation.

11. Given the buildings of Wah Fu Estate were aged over 40 years, Mr Frederick FUNG opined that HA had to consider redeveloping the Estate in the long run. He highlighted the long time required for planning and making rehousing arrangement for affected tenants in PRH redevelopment projects, particularly, tenants needed to be rehoused in the same locality. For instance, the redevelopment of So Uk Estate would be taken in phases over several years. He urged HD to start identifying sites in the vicinity of Wah Fu Estate to prepare for anticipated redevelopment of the Estate some 15 years later. DD(EM) said that currently HA had no plan to redevelop the Estate. HD would focus on ensuring proper completion of the repair works for the Estate.

12. Sharing the view, the Chairman pointed out that normally 20% of the affected households covered by a redevelopment project would apply for rehousing in other estates. Given that a redevelopment project was usually conducted in phases, a smaller site, such as one for building less than 3 600 flats, would be required for rehousing tenants affected by the first phase of redevelopment of Wah Fu Estate.

13. While agreeing that redevelopment of aged estates could be conducted in phases, DD(EM) said that there were concerns associated with phased-redevelopment. As phased-redevelopment would take longer time to complete, tenants of blocks covered in the last phase had to suffer the nuisances arising from the redevelopment for a long time. He re-iterated that HD would compare the cost-effectiveness of options to retain the old estates and to demolish them. HA's current policy was to conduct structural investigations on estates early so that timely repair works could be carried out to maximize the feasibility of retaining the estates, and to bring about improvement in the living environment for tenants.

Implementation of the repair works in Wah Fu Estate

14. Dr YEUNG Sum expressed concern about nuisances that might be caused during the work process, and stressed the need to brief tenants on details before commencement of the repair works. Given the extensive scale of the repair works and the considerable time expected for its completion, Mr CHAN Kam-lam and Miss CHAN Yuen-han were also keen to ensure efforts from the Administration to shorten the works period and minimize possible nuisances during the process.

15. DD(EM) assured that HA would introduce various less-disturbing repair methods, including providing temporary walking platforms to maintain access in corridors, and rapidly demountable noise screens, etc. It was envisaged that the repair works would be completed within two years. CM/M(SS5) supplemented

that the repair works for the defective cantilever corridor slabs would be carried out in an orderly manner to minimize disturbance to tenants. It was expected that the works for a block would only take six months. Careful planning would also be made to space out the repair works properly for minimizing nuisances. As consultation with the tenants concerned was required in formulating the estate improvement works, construction of lifts/escalators for the Estate might not complete until 2011 or even 2012.

16. In response to enquiry by Dr YEUNG Sum and Dr Joseph LEE on the construction of lifts/escalators to facilitate access in Wah Fu Estate, DD(EM) advised that HA had already planned to install lifts/escalators to link up locations in the Estate with large level difference, including the connection between Wah Fu (I) and Wah Fu Road, and the connection among the Public Transport Interchange, Wah Cheong House and Wah Tai House. He assured members that consultation with the estate residents would be conducted.

17. Mr Frederick FUNG sought to ascertain whether lifts serving the buildings in Wah Fu Estate could reach every floor and if not, whether HD would consider making improvement in this area. DD(EM) advised that while lifts were provided for residents, lift access was not provided for each floor in a building. He said that HD would consider providing more lift accesses in the buildings under EIP.

18. Mr CHAN Kam-lam enquired whether in-flat repair/improvement works would also be conducted to improve the living environment of tenants. DD(EM) responded that the repair works under CSIP related to structural works. General estate improvement works would be carried out through TMS, under which proactive inspection and maintenance works for all PRH flats in the territory would be carried out within five years to provide tenants with efficient and proper maintenance and repair services.

19. Mr Abraham SHEK emphasized that HA should adopt a more innovative and comprehensive approach in undertaking improvement works for Wah Fu Estate. He suggested that consideration could be given to redevelop the oldest blocks of the Estate into units for Housing for Senior Citizens (HSC) to cater for the need of the elderly tenants, and to undertake thorough and comprehensive repair and improvement works on other blocks with a view to attracting young families to move in and revitalizing the Estate. DD(EM) responded that as revealed by a review of HSC, elderly tenants preferred living in ordinary PRH flats to HSC units. As such, HA had already decided to cease the construction of HSC units. As to the suggestion of adopting a mixed redevelopment model for aged estates, HA had once considered implementing a building rehabilitation programme for So Uk Estate but the proposal was not supported by tenants.

20. The Chairman considered that in carrying out the repair works, HA should also take the opportunity to improve the provision of public space in the Estate and living space for residents by adopting innovative ideas. DD(EM) responded that HA would implement EIP having regard to the needs of the tenants and communities concerned to improve the living environment of all estates to be

sustained for at least 15 years. For example, a butterfly garden would be set up in Sai Wan Estate in response to tenants' request for more recreation and sports facilities. As regards the living space for residents, DD(EM) said that there was no overcrowding problem in Wah Fu Estate. Indeed, residents enjoyed relatively more living space than other estates. Tenants of the Estate were also well supported by community facilities including two bus terminus, two shopping centres and the nearby Waterfall Bay Park. Dr YEUNG Sum confirmed that the living environment of Wah Fu Estate was good and spacious. He urged HD to ensure satisfactory implementation of the repair works to minimize disturbance to tenants.

21. Dr Joseph LEE asked whether improvement works would be conducted for the two shopping centres in Wah Fu Estate. He was concerned that HA would divest shopping centres to the Link Real Estate Investment Trust after completion of the renovation works for the centres. The move might result in huge increase in shop rentals leading to step rises in the charges for goods and services provided to residents. DD(EM) advised that according to the decision of HA's Commercial Properties Committee, further divestment of HA's retail facilities would not be considered in the short term notwithstanding works to improve them.

22. Mr Tommy CHEUNG expressed concern about the impact of the repair works on the two shopping centres in Wah Fu Estate, and opined that shop rentals should be suitably adjusted in tandem with the anticipated decrease in business. The Administration noted his views. Mr CHEUNG also opined that funding should be sought to improve the facilities of and accessibility to the two shopping centres and markets in the Estate in order to boost the business of shops and market stalls. DD(EM) pointed out that HD had already constructed escalators to link up Wah Fu (I) with Wah Kwai Estate a few years before. Coupled with the opening of several large supermarkets and restaurants in the shopping centre of Wah Fu (I), both shoppers' flow and patronage of the centre had improved. He assured members that HA would map out measures to revitalize the shopping centre and market in Wah Fu (II), and consult both PRH tenants and commercial tenants on the improvement works required.

23. Mr CHAN Kam-lam pointed out that while elderly tenants of Wah Fu Estate would like to stay in the Estate as they could not afford higher rents of new estates, young households would prefer moving to other estates to avoid the nuisances during implementation of the repair works. He enquired whether priority would be accorded to transfer applications by young households. DD(EM) responded that the young households could seek transfer through the enhanced allocation measures introduced in 2007.

24. Miss CHAN Yuen-han pointed out that some affected tenants might prefer redevelopment to sustaining the buildings through structural repair works as the former could effect more improvement in tenants' living environment. She opined that HD should give priority consideration for transfer applications to new estates to cater for the needs of these tenants. DD(EM) advised that under the existing policy, tenants who had to move out because of structural problems or

comprehensive repair and improvement works of their blocks would be allocated another suitable PRH flat. Tenants could also apply for transfer through the enhanced allocation measures, which would be reviewed and likely further enhanced in September 2008. Miss CHAN, however, opined that HD should favourably consider applications for splitting and transfer for overcrowding relief.

IV Proposal to resume the Home Ownership Scheme and the Tenants Purchase Scheme

(LC Paper No. CB(1)2057/07-08(02) -- Administration's paper on proposal to resume the Home Ownership Scheme and the Tenants Purchase Scheme

LC Paper No. CB(1)2057/07-08(03) -- Referral from Legislative Council Members' meeting-cum-luncheon with Wong Tai Sin District Council on proposal to resume the Home Ownership Scheme and the Tenants Purchase Scheme)

Briefing by the Administration

25. The Permanent Secretary for Transport and Housing (Housing) (PSH) updated members on the Government's consideration of the proposals to relaunch the Home Ownership Scheme (HOS) and the Tenants Purchase Scheme (TPS). Members noted the Government's view that the relaunch of the two schemes would inevitably impact on the property market and also divert HA's resources and affect its ability in implementing the public housing programme. The Government had undertaken to continue monitoring the development of the property market, the turnover of PRH flats, and listening to the views of the community in considering the relaunch of various subsidized home ownership schemes.

Discussion

Considerations for relaunching the Home Ownership Scheme and the Tenants Purchase Scheme

26. Dr YEUNG Sum expressed concern about recent media reports on the Secretary for Transport and Housing's comments that she would not consider the relaunch of HOS and TPS during her tenure. He pointed out that soaring property prices in the private residential market in recent months and good response to the sale of surplus HOS flats had indicated increasing home ownership aspirations of the middle and low-income families and the need to relaunch the two schemes. He opined that while the property slump and economic downturn in early 2000 had called for the need of the Government to reposition its housing policy in 2002, the property market had remained stable and recovered in recent years. The

Government should relaunch the two schemes as soon as possible. Otherwise the Administration would be criticized as implementing policy in favour of the developers.

27. PSH said that achieving 70% home ownership rate for Hong Kong people was no longer a policy objective of the Government since implementation of the repositioned housing policy. The existing housing policy was to concentrate public resources on providing PRH for families which could not afford private rental housing. He clarified that the policy was to safeguard the right of the needy people for subsidized public housing rather than looking after developers' interests.

28. Dr YEUNG Sum did not subscribe to the Administration's views. He pointed out that the huge fiscal surplus accumulated in recent years and the capability to maintain an average waiting time of general PRH applicants at around three years (the AWT pledge) had demonstrated the ability for the Government to relaunch HOS and TPS. PSH explained that the availability of suitable sites rather than financial resources of HA, was a major concern. HA had encountered increasing difficulty in securing sites for housing projects in recent years, mainly due to competing land use demand and lengthy discussion process with local communities in formulating mutually acceptable solutions for the use of sites and the provision of ancillary facilities. HA had stepped up efforts to improve the consultation process with the local communities.

29. Miss CHAN Yuen-han said that when considering the relaunch of HOS and TPS, the Government should take into account the problem of widening wealth disparity, and the grievances of young people who were either ineligible for PRH or could not afford to purchase private flats. Mr Alan LEONG shared the concern and pointed out that the situation where even young couples of university graduates with stable income had difficulty affording private housing was a cause for alarm. They expressed concern that the Administration would only consider relaunching HOS when property prices reached the peak level of 1997, and the turnover rate of PRH flats indicated problem in meeting the AWT pledge.

30. On the concern about affordability of the general public to purchase private flats, PSH responded that assuming that a household with the median private domestic household income purchased a domestic unit of a saleable area (SA) of about 40 m² with a 70% loan-to-value ratio and a repayment period of 20 years, the mortgage-to-household income ratio was 32% as at the first quarter of 2008. The ratio was much lower than the 77% at the peak of 1997 and roughly similar to the 29% to 31% between 2005 and 2007. PSH stressed that the Administration would not use the market situation in 1997 as a benchmark because the circumstances then were exceptional. He further explained that notwithstanding the rise in property prices in recent months, the price index for flats with SAs between 40 m² to 69.9 m² was still 30% lower than that at the peak of 1997. The mortgage-to-household income ratio in the first quarter of 2008 was only 32% and was similar to that in 2000, while the figures in 1997, 1998 and 1999 were 74%, 51% and 42% respectively. Moreover, the number of transactions of middle and small-sized flats priced below two million dollars still accounted for close to 60% of the total

number of transactions on average since 2004. Though some of these flats were old properties or located in less popular areas, the figure had demonstrated the availability of flats of various types and sizes in the market. As to the turnover of PRH flats, it was expected that a steady number of about 16 000 flats would be recovered per year in the coming five years, showing a certain degree of turnover of PRH flats.

31. Mr Tommy CHEUNG said that the Liberal Party supported Government's stance regarding HOS and TPS, and was concerned that relaunching the two schemes might lead to significant increase in flat supply and recurrence of a property slump. He cautioned against making frequent changes to the housing policy which had been repositioned only a few years before. He opined that instead of relaunching the two schemes to meet the home ownership aspirations of well-off PRH tenants, HA should deploy more resources to increase PRH production to further reduce AWT and benefit low-income families.

32. Mr Abraham SHEK was of the view that the introduction of HOS and TPS was triggered by political considerations. He considered that HOS had already completed its historical mission. HA should instead expedite PRH production to help stimulate the economy and create jobs for the construction industry. HA should also plan ahead and identify more sites to sustain sufficient supply of PRH for the next ten years.

33. PSH responded that since the sites for the forecast production of PRH under the Public Housing Construction Programme (PHCP) in the coming five years had already been confirmed, the flat production volume concerned would not be subject to major variation. As to the situation beyond the coming five years, HA would work out effective measures to ensure that PHCP could likewise meet the AWT pledge, in particular by strengthening communication with relevant District Councils and local communities in formulating mutually acceptable solutions for use of sites for PRH production. Regarding the situations in the Waiting List (WL) and AWT, PSH said that WL was estimated to grow because of increases in the household formation rate and the number of household splitting applications. While HA would be able to meet the AWT pledge in the coming five years, the situation beyond would hinge on local support for PRH development and the timely availability of sites.

34. Mr LEUNG Kwok-hung expressed dissatisfaction on the repositioned housing policy, which was the result of the Administration bowing to the pressure of the developers. He opined that the aim of the policy was only to force people to buy private flats so as to boost the private property market. Mr Frederick FUNG considered that with the implementation of the repositioned policy, the Administration had departed from the objectives of the Long Term Housing Strategy introduced in 1980s. With soaring property prices, he stressed the need for the Administration to revive the Strategy to address the housing needs of the middle class, which were either ineligible for PRH or unable to afford the rising prices of the private property market. In order to minimize the impact of relaunching HOS, Mr FUNG suggested that consideration could be given to

initially reviving the scheme on a small scale with flats offered to Green Form applicants only.

35. PSH remarked that the Long Term Housing Strategy was introduced in the light of the social environment in 1980s, which was very different from the present situation. He re-iterated the Government's policy of concentrating its resources on providing PRH for the needy families. Regarding the sale of surplus HOS flats, PSH said that as shown in the recent sale exercise, the take-up rate of Green Form applicants was lower than that of White Form applicants although an earlier survey had revealed strong wishes of sitting PRH tenants to purchase HOS flats.

36. Mr WONG Kwok-hing did not subscribe to the Administration's views above. He re-iterated the strong aspiration of PRH tenants to purchase HOS and TPS flats, especially "well-off tenants" who were paying additional rents. He further expressed concern about the unfairness of the "well-off tenant policy" and its inconsistency with the objective of the enhanced allocation measures to promote mutual family support. He remarked that in most cases, households paying additional rents were indeed not high-income families. The payment of additional rents had been triggered mainly because the grown-up second generation of these households chose to live with their parents. As a result, the total household income exceeded the prescribed income limit. Mr WONG opined that the Administration should relaunch the two schemes to minimize the grievances of "well-off tenants" and to provide them with options. Sharing the views, Mr LEUNG Yiu-chung, Mr LEUNG Kwok-hung and the Chairman opined that the requirement of well-off tenants to declare household income every two years and restrictions regarding application for splitting and addition of family members to the tenancies were harsh. Indeed, many "well-off tenants" would like to purchase HOS or TPS flats in order to put an end to these cumbersome requirements.

37. PSH explained that the Housing Subsidy Policy and the Policy on Safeguarding Rational Allocation of Public Housing Resources, i.e. collectively known as "well-off tenants policy", were introduced to ensure that valuable public resources were used to help those most in need of subsidized public housing. He also stressed the need to impose the above restrictions on "well-off tenants". To ensure that elderly tenants would be taken good care of, households with all members aged 60 or above were exempted from the two policies. Moreover, enhanced allocation measures were introduced to strengthen the family-based support network.

The impacts of relaunching the Home Ownership Scheme and the Tenants Purchase Scheme

38. Noting the good response to the recent phases of the sale of surplus HOS flats, Mr Fred LI queried the Administration's claim that the relaunch of HOS and TPS would have adverse impact on the property market. PSH responded that it would be difficult to assess the actual impact on the market. However, according to economic theories, the greater the supply, the lower the price would be.

39. Mr CHAN Kam-lam was not convinced by the Administration's views that since PRH flats sold to tenants would not be returned to HA for reallocation, the relaunch of TPS would affect the supply of PRH stock. He pointed out that in the absence of a steady supply of HOS flats for purchase by PRH tenants, the turnover of PRH flats might be adversely affected in the long run. He re-iterated that TPS would help satisfy the housing needs of low-income families, and the proceeds derived from the sale would also finance PRH production, which in return would increase the supply of PRH stock to expedite flat allocation to WL applicants.

40. Mr Fred LI highlighted the long lead time of some five years for completing a PRH development project, and stressed the need for the Administration to undertake forward planning to ensure a steady supply and turnover of PRH flats in the coming ten years. PSH advised that HA worked out a five-year PHCP for the planning and construction of PRH flats. The programme would be up-dated regularly to take into account changes in WL, production targets, and site availability etc. Moreover, PHCP would be rolled forward every year. He re-iterated that most of the sites available for PRH development beyond the coming five years were still at an early planning stage. It was hoped that by strengthening ties with local community through appointing district co-ordinators at Assistant Director-level to co-ordinate all consultation matters related to PRH development projects at district level, PRH projects could be implemented more smoothly.

41. As regards the concern about problems in the management of PRH flats in TPS estates, Mr CHAN Kam-lam pointed out that similar management problems were found in private housing estates where some units were occupied by owners and some by tenants. He opined that the above problems could be resolved through improvement in building management.

42. The Chairman stressed the need for the Government to relaunch HOS and TPS to address problems of soaring property prices and growing public grievances, pointing out that previous exercises of selling TPS flats and the recent sale of surplus HOS flats had not adversely affected the property market. As regards management problems in TPS estates, he considered that HA should contract out the management of TPS estates.

43. PSH highlighted the difficulty in resolving management problems in TPS estates. He said that there were cases where the Owners' Corporations of TPS estates refused to heed HA's advice against engaging the service of management companies with previous records of wage arrears. PSH added that PRH flats in existing TPS estates would continue to be available for sale to sitting tenants. PRH tenants could also purchase both TPS and HOS flats in the secondary market without the need to pay premium to HA.

The motion

44. Dr YEUNG Sum moved the following motion, which was seconded by Mr Frederick FUNG:

"本委員會要求房屋委員會盡快恢復出售出租公屋及居屋，以改善民生。"

(Translation)

"That this Panel requests the Housing Authority to resume the sale of public rental housing flats and Home Ownership Scheme flats as early as possible, so as to improve people's livelihood."

45. Mr WONG Kwok-hing indicated support for the motion in principle. However, he considered it necessary to urge the Administration to provide a timetable for relaunching HOS and TPS. Dr YEUNG Sum agreed to amend the wordings of his motion, as follows –

"本委員會要求房屋委員會盡快恢復出售出租公屋及居屋，並定出落實的時間表以改善民生。"

(Translation)

"That this Panel requests the Housing Authority to resume the sale of public rental housing flats and Home Ownership Scheme flats as early as possible and formulate a timetable for implementation, so as to improve people's livelihood."

46. The Panel agreed to proceed with the motion and put it to vote. Of the members present, nine voted for the motion and three voted against. The Chairman declared that the motion was carried.

(Post-meeting note: The wordings of the passed motion were circulated to members vide LC Paper No. CB(1)2126/07-08(01) on 8 July 2008.)

V Any other business

47. As this was the last meeting of the Panel in the 2007-2008 legislative session, on behalf of the Panel, the Chairman thanked the Administration for its co-operation during the past year.

48. There being no other business, the meeting ended at 4:45 pm.