

**Speech by the Secretary for Transport and Housing
at the Legislative Council Special Finance Committee Meeting (on Housing)
on 25 March 2009**

Chairman,

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

Supply of Public Housing

2. On public rental housing (PRH) estates, the Government and the Hong Kong Housing Authority (HA) will continue to identify suitable land and to monitor the progress of the supply of public housing sites to ensure an adequate land supply for public housing development. HA will endeavour to retain sites after clearance of old PRH estates for the development of public rental housing, and will adopt the principle of optimisation of development potential in constructing PRH estates in order to satisfy the demand of the community for public housing in the most effective and sustainable manner. During the planning process, the Housing Department will closely co-ordinate with various government departments and the community to safeguard the smooth implementation of the public housing programme, taking into account the various development needs of the districts. We believe that in the next five years, there will be an adequate supply of public housing to maintain the average waiting time of general PRH applicants at about three years.

3. In order to enhance the participation of residents and the District Councils in major public housing development projects, HA will appoint an Assistant Director to lead the project teams to organise community workshops at the planning and design stage. We have conducted these workshops for two public housing development projects of Anderson Road and So Uk Estate to enable local residents and the community to express their opinions and participate in the design, which is a way to consolidate community efforts for better public housing development.

Private Property Market

4. As for the private residential property market, we will continue our efforts to maintain an orderly, fair and free environment to enable its stable and healthy development. In addition, we will continue to enhance the transparency of the sale of uncompleted residential properties through the Lands

Department's Consent Scheme and the self-regulatory regime of the developers. Also, we will step up publicity and education for estate agents and the public through the Estate Agents Authority and the Consumer Council for further enhancing the professionalism of estate agents and consumer protection.

5. In general, the property market has been developing steadily in recent years and there are residential units of various types and prices available in the private property market. Our latest statistics show that there is a considerable supply of small and medium residential units at the price level of \$2 million or below. The number of transactions of this type of residential units constitutes 53% of the total number of transactions in January 2009, which is comparable to the annual average proportion of 54% over the past four years. The Government will continue to monitor closely the development of the property market as well as the demand and supply of private residential properties.

Conclusion

6. To conclude, the Government will continue to commit resources to assist low-income families to resolve their housing problems through the work of HA 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.