

立法會
Legislative Council

LC Paper No. CB(1) 987/09-10
(These minutes have been seen
by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

Minutes of meeting
held on Monday, 7 December 2009, at 2:30 pm
in Conference Room A of the Legislative Council Building

- Members present** : Hon WONG Kwok-hing, MH (Chairman)
Hon Frederick FUNG Kin-kee, SBS, JP (Deputy Chairman)
Hon Fred LI Wah-ming, SBS, JP
Hon CHAN Kam-lam, SBS, JP
Hon LEUNG Yiu-chung
Hon Vincent FANG Kang, SBS, JP
Hon LEE Wing-tat
Dr Hon Joseph LEE Kok-long, SBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon CHAN Hak-kan
Hon WONG Kwok-kin, BBS
- Members absent** : Hon James TO Kun-sun
Hon Abraham SHEK Lai-him, SBS, JP
Prof Hon Patrick LAU Sau-shing, SBS, JP
- Member attending** : Hon KAM Nai-wai, MH
- Public officers attending** : **For item IV**
Ms Eva CHENG, JP
Secretary for Transport and Housing

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

Ms Annette LEE, JP
Deputy Secretary for Transport and Housing (Housing)

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

Ms Cora HO
Assistant Director (Strategic Planning)
Housing Department

For item V

Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Mr Albert LEE, JP
Deputy Director (Estate Management)
Housing Department

Mr CHIU Kin-chee
Chief Manager/Management (Support Services 1)
Housing Department

Dr PANG Hon-wah
Chief Manager/Management (Support Services 5)
Housing Department

For item VI

Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Mr Albert LEE, JP
Deputy Director (Estate Management)
Housing Department

Mr Tony LIU
Chief Manager/Management (Support Services 2)
Housing Department

Clerk in attendance : Miss Becky YU
Chief Council Secretary (1)1

Staff in attendance : Mrs Mary TANG
Senior Council Secretary (1)2

Miss Mandy POON
Legislative Assistant (1)4

Action

I. Confirmation of minutes

(LC Paper No. CB(1) 533/09-10 — Minutes of the special meeting held on 23 October 2009)

1. The minutes of the special meeting held on 23 October 2009 were confirmed.

II. Information paper issued since last meeting

2. Members noted the following information paper which had been issued since the last meeting -

LC Paper No. CB(1) 272/09-10(01) — Administration's paper on Land Registry Statistics in October 2009 (press release)

III. Items for discussion at the next meeting

(LC Paper No. CB(1) 534/09-10(01) — List of follow-up actions
LC Paper No. CB(1) 534/09-10(02) — List of outstanding items for discussion)

3. The Chairman suggested and members agreed to reschedule the next meeting originally scheduled for 4 January 2010 to Thursday, 7 January 2010, at 2:30 pm. Members also agreed to discuss the following items at the next meeting -

- (a) Effectiveness of quality reform for piling works;
- (b) Marking Scheme for Estate Management Enforcement in Public Housing Estates; and
- (c) Implementation of the new rent adjustment mechanism.

IV. Landlord and Tenant (Consolidation) Ordinance (Cap. 7) and measures to assist low-income persons in meeting their housing needs

(LC Paper No. CB(1) 534/09-10(03) — Administration's paper on Landlord and Tenant (Consolidation) Ordinance and measures to assist low-income persons in meeting their housing needs

LC Paper No. CB(1) 534/09-10(04) — Paper on removal of security of tenure prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(1) 566/09-10(01) — Submission from
全港租客大聯盟
(Chinese version only)

Relevant papers

(LC Paper Nos. CB(1) 1354/08-09(01) — Referrals arising from the
and CB(1) 1354/08-09(02) meeting between Duty Roster
Members and the Society for
Community Organization and
全港租客大聯盟 on
17 and 21 November 2008
respectively regarding the
request for review of the
Landlord and Tenant
(Consolidation) Ordinance
(Cap. 7) (Chinese version only)
(Restricted to Members)

LC Paper No. CB(1) 314/08-09(01) — Referral arising from the
meeting between Duty Roster
Members and the
全港租客大聯盟 on
21 November 2008 regarding the
request for review of the
Landlord and Tenant
(Consolidation) Ordinance
(Cap. 7) (Chinese version only)
(Restricted to Members)

LC Paper No. CB(1) 136/09-10(01) — Joint submission from different
parties expressing views on the
Review of the Landlord and
Tenant (Consolidation)
Ordinance (Cap. 7) and
arrangements for compensation
for and rehousing of tenants
affected by resumption of land
for redevelopment)

4. The Secretary for Transport and Housing (STH) briefed members on the Administration's position on the Landlord and Tenant (Consolidation) Ordinance (Cap. 7) (LTO), and measures to assist low-income persons in meeting their housing needs.

Removal of security of tenure

5. Mr Frederick FUNG said that the removal of security of tenure had affected tenants' rights to renew tenancies. Since tenants might not be able to renew their tenancies even if they were willing to pay prevailing market rents, many of them were forced to move out of the districts they used to live, and sever the ties which they had

built up in the neighborhood. For tenants affected by urban renewal projects of the Urban Renewal Authority (URA), the removal of security of tenure had also affected their rehousing eligibility for public rental housing (PRH) because they were evicted upon expiry of tenancies. He considered it necessary that LTO should be reviewed to address tenants' concerns. STH said that the security of tenure was removed following public consultation and in-depth examination by the Bills Committee on Landlord and Tenant (Consolidation) (Amendment) Bill 2003 (the Bills Committee). Assistance from the Rating and Valuation Department (RVD) could be sought to resolve tenancy matters. For tenants affected by URA projects, the Deputy Secretary for Transport and Housing (Housing) (DSTH(H)) said that there was an arrangement between the Housing Authority (HA) and URA to set aside a number of PRH units to rehouse tenants affected by these projects, subject to their eligibility for PRH. For hardship cases on exceptional basis, URA could also offer rehousing on compassionate grounds. Ex-gratia payments as applicable would also be offered by URA to affected tenants who were registered under the freezing survey.

6. Mr Alan LEONG noted that the Bills Committee had expressed concern that the removal of security of tenure might push up rents in the private market, thereby unduly affecting tenants, particularly those underprivileged groups such as elderly single persons, dwellers living in cubicles and bedspace apartments and those with chronic illness who might have difficulties in finding suitable alternative accommodation. To this end, the Administration was requested to undertake to provide a safety net for the underprivileged groups. With the removal of rent control, tenants were having a hard time finding affordable accommodation in view of the significant increase in rents. Many tenants also had to move to alternative rental accommodation once every year as a result of the removal of security of tenure. He enquired about the means through which the Administration could deal with the situation. STH said that measures had been put in place to assist the elderly as well as underprivileged groups with housing needs. By way of illustration, flexibility was accorded to the asset limits of elderly PRH applicants and the average waiting time for elderly one-person applicants was 1.2 years. The Permanent Secretary for Transport and Housing (Housing) (PSTH(H)) added that the asset limits for elderly persons were twice that for ordinary families. For cases involving hardships of various natures, such as serious illness, disability, social problem etc, applicants could apply for compassionate rehousing through recommendation by the Director of Social Welfare. Special consideration was also given to cases requiring special attention.

7. The Chairman asked if the Administration was prepared to review LTO and to assess the impact of the removal of security of tenure on low-income families. STH said that while there were no plans on the part of the Administration to review LTO, necessary assistance would continue to be provided to the underprivileged groups. Mr Alan LEONG was disappointed to learn that the Administration had no plans to review LTO despite the host of tenancy problems arising from the removal of security of tenure. He pointed out that compassionate rehousing could not address the problems faced by many affected tenants, given the large number of compassionate rehousing applications pending approval. Given that the security of tenure had been removed for five years, it might be an opportune time for the Administration to review LTO. STH said that the factors taken into account when introducing LTO remained valid, and therefore the Administration had no plan to review LTO at this stage. She

reiterated that assistance as appropriate would be provided to the underprivileged groups.

8. The Chairman said that another meeting would be arranged to exchange views with deputations on the subject.

Rental market situation

9. Mr LEE Wing-tat expressed grave concern about the significant increase in rents in the private property market for both old and new residential developments following the recent surge in property prices. The rents upon renewal of tenancy agreements had increased by 20% to 50%. Many tenants had no choice but to accept the high rentals, even if these were beyond their affordability, because they were not eligible for PRH as their household income had exceeded the income and asset limits. He asked if the Administration had conducted surveys on the housing needs of these sandwiched class families, and whether measures would be introduced to assist them. STH said that according to RVD, the rents of flats with a saleable area below 40 square metres in October 2009 were 12% less than that in mid-2008 and 8% more than that in March 2009. The Administration would closely monitor the supply and demand of housing as well as the market trends. It was expected that about 50 000 flats would be available in the market in the next few years. Efforts, including change of land use for the provision of housing, were being made to increase the land supply for housing. She reiterated that Government's housing policy was to provide PRH to low-income families who could not afford private rental accommodation. The average waiting time for general applicants on the Waiting List (WL) was about 1.9 years. Mr LEE said that the rental figures provided by the Administration were apparently at variance with the public perception on the rental market. He was aware that rents for private flats in the Central and Western District had increased significantly upon renewal of tenancies. STH said that the rental figures were based on latest statistics provided by RVD. The percentages of increase/decrease in rents were relative to the reference dates being adopted for comparison purposes.

10. Mr Frederick FUNG said that the rise in rents for private accommodation was not matched with a rise in salaries of the working class. He did not agree that the supply of housing should be entirely market driven as a shortage in housing supply would push up the property prices and in turn the rents. He said that the Government should intervene if the supply of housing was inadequate to meet the demand. It should also rethink the re-launching of the Tenants Purchase Scheme and Home Ownership Scheme to increase the supply of flats in the lower and medium end of the market to allow more choices for tenants.

Relaxation of income and asset limits

11. Mr LEUNG Yiu-chung was also concerned about the plight of many sandwiched class families which could not afford the high rents of the private property market but were not eligible for PRH. He urged for more housing resources to meet the housing needs of these families. He added that with the removal of rent control, there was a need to relax the eligibility criteria for PRH so that more people could apply for PRH. As the increase in number of WL applicants would inevitably lead to

a longer waiting time, more PRH flats should be provided to meet the demand. Mr Frederick FUNG also supported for the relaxation of the income and asset limits so that more people would become eligible for PRH. STH said that the eligibility criteria for PRH had been relaxed so that at the time of allocation, families with at least half of their members included in the application had lived in Hong Kong for seven years and were still living in Hong Kong would have already fulfilled the residence requirement. She stressed the need to draw a line on the eligibility for PRH. As regards the income and asset limits, STH said that these limits would be reviewed annually with reference to the Consumer Price Index (A), according to the established mechanism. PSTH(H) added that if the income and asset limits were adjusted upwards, there would be more applicants on WL and hence a longer waiting time. Members would be briefed on the outcome of the 2010-2011 review in due course.

12. The Chairman expressed concern about the over 40 000 non-elderly one-person WL applicants who would have to wait 26 years for a PRH unit if no further measures were taken to reduce their waiting time. STH said that of the 120 000 WL applicants, about 40% or 47 300 were non-elderly single persons under the Quota and Points System (QPS). Of these, about 18 800 (40%) were below 30 years old. Among these QPS applicants aged under 30, over 85% were living with families and about 25% of them were already registered tenants of PRH units. In other words, most of the non-elderly single applicants did not appear to have imminent housing problem but rather wanted to have their own separate PRH units to improve their living standards. To this end, an annual quota for non-elderly single applicants and a points system had been established to accord priority to applicants of higher age. The Chairman however pointed out that the increase in the number of non-elderly single WL applicants was partly due to the requirement for families with total household income and net assets value exceeding the prescribed limits to pay additional rent or vacate their PRH. This had forced the grown-up children of these families to apply for separate PRH units in order to circumvent such requirement.

V. Progress report on the addition of lifts and escalators in Housing Authority's existing public rental housing estates

(LC Paper No. CB(1) 534/09-10(05) — Administration's paper on progress report on the addition of lifts and escalators in Housing Authority's existing public rental housing estates

LC Paper No. CB(1) 534/09-10(06) — Paper on progress of addition of lifts and escalators in Housing Authority's existing public housing estates prepared by the Legislative Council Secretariat (background brief)

13. The Under Secretary for Transport and Housing (USTH) said that when the addition of lifts and escalators in HA's existing PRH estates was last discussed at the Panel meeting on 5 January 2009, the Administration was requested to provide

progress report on the implementation programme. The Chief Manager/Management (Support Services 5) (CM/M(SS5)) then gave a power-point presentation on the progress of the programme for addition of lifts, escalators and footbridges in existing PRH estates.

(Post-meeting note: A copy of the power-point presentation materials were circulated under LC Paper No. CB(1) 708/08-09(01) on 16 December 2009.)

14. Mr WONG Kwok-kin said that with the aging population, there was a need to provide lifts and escalators in PRH estates to cater for the need of the elderly and the disabled. He was however concerned about the slow progress as evidenced in the case of Choi Hung Estate where the lift project was still under the tender process for completion in 2011 despite that the project was announced in 2006. As the estate would be due for redevelopment in 15 years' time, it would be a waste of resources if the lifts could only be put in place in 2011. He queried the long lead time for installation of the lifts. CM/M(SS5) said that the unique ground conditions at Choi Hung Estate had posed technical difficulties for the piling works. A longer time was therefore required to resolve such difficulties and component prefabrication techniques would be adopted in the construction of the lift tower. The tender process for the project was about to be completed and the construction would commence soon. The construction works would last for about 13 months and the lifts were expected to be ready for use by the first quarter of 2011. As some 20 households would be affected by the construction, arrangements had to be made to rehouse these households. Mr WONG however held the view that the present delay in the provision of lifts at Choi Hung Estate was unacceptable. The Administration should have assessed the feasibility and worked out any measures to overcome the difficulties before announcing the plan for provision of lifts. The Deputy Director of Housing (Estate Management) (DDH(EM)) advised that the provision of lifts and escalators at PRH estates was subject to feasibility studies. While there were anticipated difficulties in the construction works, efforts would be made to overcome them as far as practicable.

15. Mr LEUNG Yiu-chung queried the need for feasibility studies when most PRH estates were of similar designs. He was concerned about the possible delay as a result of the long lead time for feasibility and design studies when lift services were badly needed by residents. He also asked if residents were consulted on the provision of lifts/escalators. Referring to the lift installation works at Kwai Shing West Estate as an example, CM/M(SS5) said that blocks 2 and 4 were built along the hillsides and linked to other blocks in the estate, and studies were necessary to ascertain the feasibility of the lift towers. It was expected that most of the lift/escalator installation works could be completed by 2012 and efforts would be made to expedite the works as far as practicable. DDH(EM) added that the provision of lifts/escalators in existing estates would require more planning and studies than that of new estates. To expedite the works, feasibility and design studies would proceed in tandem with the re-alignment of underground utility systems.

16. While supporting the provision of lifts and escalators at PRH estates, Mr CHAN Hak-kan was concerned about possible over or under-utilization of these

facilities. By way of illustration, there was a long queue for lifts at Po Tak Estate and residents often had to spend a long time waiting for lifts. The same situation also happened at Kin Ming Estate where students had to queue up for lift/escalator services in the early morning when they attended school. He enquired whether District Councilors and Estate Management Advisory Committees (EMACs) had been consulted on the provision of lifts and escalators, as they should be in a better position to advise on the need, type and location of lifts and escalators. DDH(EM) said that studies would be conducted before deciding on the provision for lift and escalator services. EMACs would be consulted on the location of lifts and escalators to maximize usage. As regards the case of Po Tak Estate, DDH(EM) said that the need for other facilities would be looked into if necessary. However, escalator was not suitable for wheelchair users and would only be used under circumstances where installation of lift was technically not feasible due to site constraints.

17. Noting from Annex I to the Administration's paper that the feasibility study for the lift tower at Oi Man Estate was completed while consultants were engaged to commence designing, Mr Alan LEONG enquired about the schedule for completion of the lift tower and availability of the lift services. DDH(EM) said that the lift project at Oi Man Estate comprised two parts. The part involving feasibility study for lift installation works at the Princess Road had been completed and consultants had been engaged to commence designing. The other part involving the provision of lifts within the Oi Man Shopping Centre had to be worked out with the Link Management Limited (the Link), which had agreed in principle to provide lifts at each level of the shopping centre. Funding for the installation of lifts within the shopping centre would be worked out between HA and the Link. The entire lift project was expected to be completed within 2012 and HA would closely monitor the progress of works.

18. The Chairman sought elaboration on the feasibility study for Lai Yiu Estate. CM/M(SS5) said that as residents wanted to have lifts and footbridge at two locations, study had to be conducted to ascertain the feasibility of the proposal which would pose technical difficulties and narrow the pedestrian walkway before deciding on whether one or two lifts should be provided. The Chairman requested to put on record his support for the provision of two lifts at Lai Yiu Estate. Following his recent visit to Lai Yiu Estate, he held the view that the provision of only one lift could not meet the high demand for lift services of estate residents. CM/M(SS5) emphasized the need to address the technical difficulties associated with the provision of two lifts. Besides, the provision of the second lift would extend beyond the estate boundary and an inter-departmental study would be required for the purpose. In response to the Chairman's further enquiry on the progress of lift installation works at Fuk Loi Estate, which was said to have encountered some technical problems at the initial stage, CM/M(SS5) said that the problems mainly related to the ground conditions and presence of many trees at the proposed locations of the lift towers. Efforts had been made to trim off the trees in stages with a view to providing adequate space for the installation of lift towers. Meanwhile, pre-construction works involving the re-alignment of underground utility systems had commenced.

19. Mr WONG Kwok-kin noted that the provision of lifts/escalators at Tsz Hong, Tsz Ching, Tsz Man and Tsz Lok Estates in Tsz Wan Shan district would hinge on the outcome of the feasibility studies commissioned by the Highways Department (HyD) and the MTR Corporation Limited (MTRCL) on enhancement of pedestrian links connecting to the Shatin Central Line Scheme. As the Shatin Central Line would not include a station at Tsz Wan Shan due to difficult ground conditions in the area, residents of Tsz Wan Shan district had requested for the provision of lifts to facilitate access. He enquired about the schedules for completion of the feasibility studies, and commencement of the construction works for the lift projects at these estates. He considered that a mechanism should be put in place to monitor the progress and delivery of works. DDH(EM) said that feasibility studies on the provision of lifts for the estates in Tsz Wan Shan district was conducted by HyD and MTRCL. Therefore, HA was unable to provide a definite timeframe within which the construction works for lifts/escalators at these estates could commence, except an additional lift tower in Tsz Lok Estate Phase 1, which would not be affected by the above studies. USTH said that consultation would be held with district councils on the enhancement of pedestrian links connecting to the Shatin Central Line in December 2009. The timeframe for the construction programme for the provision of lifts/escalators in Tsz Wan Shan would depend on the outcome of the feasibility studies and gazettal of the Shatin Central Line.

20. Mr CHAN Hak-kan enquired whether lifts and escalators to be installed would be equipped with the energy efficient installations, such as detectors which would automatically turn off the lifts/escalators when these were not in use. CM/M(SS1) said that HA attached great importance to energy conservation. The lifts in use were energy-efficient models. The lights and fans within the lift cabins would be temporarily switched off when these lifts were left idle for 15 minutes, and automatically turned on upon activation by passengers using the lifts. These energy-efficient features would be set out in the contracts with the manufacturers.

VI. Review findings of the pilot scheme on the Housing Advisory and Service Team in Tin Shui Wai

(LC Paper No. CB(1) 534/09-10(07) — Administration's paper on review findings of the pilot scheme on the Housing Advisory and Service Team in Tin Shui Wai

LC Paper No. CB(1) 534/09-10(08) — Paper on the pilot scheme of the Housing Advisory and Service Team in Tin Shui Wai prepared by the Legislative Council Secretariat (background brief)

21. CM/M(SS2) gave a power-point presentation on the review findings of the pilot scheme on the Housing Advisory and Service Team (HAST) in Tin Shui Wai (TSW). He said that following the decision of the Subsidised Housing Committee (SHC) of HA on 16 November 2009, the HAST scheme would be extended for two years, and to cover Tuen Mun, Yuen Long and Tung Chung Districts.

(Post-meeting note: A copy of the power-point presentation materials was circulated under LC Paper No. CB(1) 708/08-09(02) on 16 December 2009).

22. Noting that the Administration's paper had only set out the number rather than the achievements of activities organized by HAST, Mr Frederick FUNG enquired if a comprehensive analysis had been conducted to assess the effectiveness of HAST. CM/M(SS2) said that in its report to SHC vide Paper No.58/2009, the Housing Department (HD) had set out the outcome of the review of HAST. In a recent opinion survey on the effectiveness of HAST, 80% of the respondents had indicated that HAST was very effective in assisting new tenants to adapt to the new living environment while 77% indicated that HAST activities had helped to foster a stronger sense of belonging. The general feedback from local non-governmental organizations (NGOs), Social Welfare Department (SWD), and Home Affairs Department towards HAST had been positive. Cases requiring follow-up actions would be referred by HAST to the relevant departments and NGOs as appropriate.

23. The Chairman opined that the services provided by HAST should not be confined to social activities and referrals to relevant departments, but should include the provision of assistance to estate tenants. Taking the case of Tin Ching Estate as an example, HAST should have assisted PRH tenants' pursuit for market facilities and sheltered bus stops, as well as other facilities which could improve the living environment of the new estates. He concurred that a survey should be conducted to ascertain the efficacy of HAST in terms of assistance provided and results achieved. CM/M(SS2) said that the aim of HAST was to strengthen the support services for PRH tenants in the districts. With the experience gained in the past two years, HAST would endeavour to provide more assistance to PRH tenants.

24. Mr Frederick FUNG noted that a lot of NGOs were performing a similar role as HAST in assisting tenants in adapting to new environment. To avoid duplication of work, he opined that HAST should focus on developing mutual support networks for all tenants. Given its close affiliation with the estate community, HAST would be well aware of the needed improvements for the estates and thus could assist in formulating policies and strengthening estate management work. CM/M(SS2) thanked Mr FUNG for his views. He said that the strength of HAST was its strong communication network with NGOs. Through proactive liaison, it could establish good partnership with all social services institutions, EMACs, District Councils etc in the district. HAST would act as a platform in the development of a mutual support network in the neighborhood. It would also assist EMACs in partnering with NGOs to organize activities to provide appropriate support and aid to local PRH tenants in a more effective manner.

25. Given the success of HAST in strengthening support services for PRH tenants in TSW, and its extension to cover Tuen Mun, Yuen Long and Tung Chung Districts, Mr LEUNG Yiu-chung held the view that HAST should be made permanent rather than on a pilot basis for two years. DDH(EM) said that HAST was originally set up to provide supporting services to TSW residents only. With the extension of HAST to cover Tuen Mun, Yuen Long and Tung Chung Districts, the staff size would be increased from 11 to 15. To gauge the effectiveness of the extended scheme, a

comprehensive review would be conducted in 18 months (i.e. October 2011) after widening the coverage of services of HAST.

26. The Chairman questioned if the increase in staff size from 11 to 15 would be adequate to cater for the extended coverage of the scheme, given that it would take hours to travel between the different districts. He was also concerned that the extended scheme might affect the quality of services at TSW. CM/M(SS2) said that HAST comprised one team leader, six coordinating officers and four supporting staff. The officers were trained professionals in welfare services. Although the coverage of HAST would be extended from 11 estates comprising 54 000 units to 22 estates comprising 116 000 units, the work involved in assisting new tenants to adapt to the new living environment would be reduced following the completion of intake of new tenants at Tin Ching Estate, TSW. While more work would be involved in organizing functions and activities under the extended scheme, this could be absorbed by an increase of four staff members. In addition to the main HAST office in TSW, there would be a small office to be set up in Tuen Mun while two officers would be stationed in Tung Chung. There would be flexible deployment of staff resources to cope with the workload of different districts.

27. Noting that HD would appoint a NGO on the SWD's subvention list by means of tender for the provision of services to tenants in the three districts, Mr LEUNG Yiu-chung enquired about the criteria for selecting the NGO concerned. DDH(EM) said that as the aim of the HAST scheme was to strengthen the support services for PRH tenants in the districts, and to assist in the development of a mutual support network in the neighborhood, the performance of NGOs and the cost in providing such services would be taken into account in the tender exercise. Mr LEUNG was however concerned that tender with the lowest bid would be able to secure the contract if cost was one of the considerations. The successful NGO might then try to cut the operating cost through reduction of staff salaries. To this end, consideration should be given to requiring NGOs to state in the tenders the remuneration levels of the staff to be employed. DDH(EM) said that HD would seek SWD's assistance in preparing the tender document to set out the qualification and experience requirements of the staff to be engaged. At present, there were 11 NGOs on SWD's subvention list, and the remuneration levels of their staff were comparable with each other.

VII. Any other business

28. There being no other business, the meeting ended at 4:30 pm.