

(Translation)

Motion on
“Immediately announcing the resumption of the construction of
Home Ownership Scheme flats”
moved by Hon Alan LEONG Kah-kit
at the Legislative Council meeting
of Wednesday, 6 July 2011

Motion as amended by Hon WONG Kwok-kin

That, since the policy of ‘quantitative easing’ adopted by the United States has caused a proliferation of external capitals, the threats of asset-price bubbles and inflation have therefore emerged in Hong Kong, and private residential property prices continue to rise; the measures introduced by the Government cannot curb the rising trend of property prices, thereby causing housing difficulties to the sandwich class and home acquisition difficulties to the middle class in Hong Kong; and, as the public have keen housing demands, resuming the Home Ownership Scheme (‘HOS’) is of an urgent need; in this connection, this Council opines that the Government should not wait until October to announce the resumption of HOS in the Policy Address, and urges the authorities to share the public’s urgent concern by immediately announcing the specific arrangements of resuming HOS, so as to relieve the current housing concern of the public; the relevant details should include:

- (a) to expeditiously undertake preliminary work for resuming the construction of HOS flats, including establishing a framework for resuming the construction of HOS flats and identifying sites, and when necessary, to use the sites originally earmarked for the My Home Purchase Plan for constructing HOS flats, so as to strive for the completion and supply of flats beginning from 2014;
- (b) to delink the pricing of HOS flats from market prices, and use the income levels, home purchase affordability rates and repayment ability of eligible persons and construction costs, etc., as the basis of pricing; and at the same time, to set resale conditions, so as to restrict resale of newly completed HOS flats for profit easily;
- (c) to use certain former public rental housing sites which have been designated for private development for constructing new HOS flats, so as to offer the sandwich class opportunities of continuing to live in the urban areas;

- (d) to review the eligibility requirements for HOS applicants in the light of actual circumstances, and consider raising the income and asset limits for applicants;
- (e) to increase the ratio of white-form applicants (i.e. non-public rental housing tenants);
- (f) while announcing the resumption of the construction of HOS flats, to increase public rental housing supply and shorten public rental housing applicants' waiting time, with a view to fully alleviating the current housing demands of middle-income and low-income people as well as the sandwich class, and enable public rental housing tenants with the means to acquire homes through HOS, thereby achieving the 'revolving-door' effect; and
- (g) to expeditiously formulate a long-term housing and land supply policy, including rebuilding the three-rung housing mobility ladder of 'public rental housing—HOS flats—private residential flats', and to conduct studies, so that the Government can provide adequate residential sites for supply to the three different housing modes as public rental housing, HOS flats and private residential flats.