

政府總部
發展局
規劃地政科



Planning and Lands Branch
Development Bureau
Government Secretariat

香港添馬添美道2號
政府總部西翼

West Wing, Central Government Offices,
2 Tim Mei Avenue,
Tamar, Hong Kong

本局檔號 Our Ref. L/M Pt.7 to DEVB (PL-CR) 1-155/10

電話 Tel.: 3509 8831

來函檔號 Your Ref.

傳真 Fax: 2845 3489

13 November 2013

Secretariat of the Legislative Council
Panel on Development
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong
(Attn: Ms Sharon Chung)

Dear Ms Chung,

**Follow-up to the Legislative Council
Panel on Development Meeting on 22 July 2013**

During the discussion of the Government's proposed enhancements to the existing general Compensation and Rehousing (C&R) arrangements at the meeting of the Legislative Council Panel on Development on 22 July 2013, the Government is requested to provide monetised tables showing, as an illustration in monetary terms, the proposed enhancements to the relevant Ex-gratia Allowances to be offered to clearers affected by the Government's development clearance exercises. The information requested is enclosed herewith for Members' easy reference.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Derek Lai'.

(Derek Lai)

for Secretary for Development

**An Illustrative Comparison –
Eligible Ex-gratia Allowance for Permitted Occupiers (EGAPO)
under Existing and Proposed Arrangements**

Types of occupation ⁽¹⁾	Eligible EGAPO under existing arrangements ⁽²⁾	Eligible EGAPO under proposed arrangements ⁽³⁾
Occupation covered by the 1984/85 Squatter Occupancy Survey (SOS), or permitted occupiers of licenced domestic structures	\$198,720	\$397,440 (Band 1 – Full EGAPO rate)
Occupation of 26 years or more before Pre-Clearance Survey (PCS), but not covered by the 1984/85 SOS	Not eligible for EGAPO	\$337,824 (Band 2 – 85% EGAPO rate)
Occupation between 21 and 25 years before PCS	Not eligible for EGAPO	\$278,208 (Band 3 – 70% EGAPO rate)
Occupation between 16 and 20 years before PCS	Not eligible for EGAPO	\$218,592 (Band 4 – 55% EGAPO rate)
Occupation between 10 and 15 years before PCS	Not eligible for EGAPO	\$158,976 (Band 5 – 40% EGAPO rate)

Note:

- (1) The comparison is made on the assumption of a domestic structure with a floor area of 40 m² in the New Territories, with all applicable eligibility criteria met.
- (2) The prevailing EGAPO rate applicable to the New Territories under the existing EGAPO, assessed based on 36-month rental value for comparable but lawful structures of the same size in the same area, is \$4,968 / m².
- (3) It is proposed that the basis of assessment of EGAPO be enhanced from the current 36-month rental value to 72-month rental value. The EGAPO rate under the proposed arrangements is hence assumed to be \$9,936 / m² (i.e. double the prevailing EGAPO rate). It is also proposed to extend the eligibility to include domestic occupiers of surveyed domestic structures who are not licencees and domestic occupiers of surveyed domestic structures as registered in the 1984/85 SOS, provided that they are covered in the PCS with a minimum of ten-year continuous occupation for domestic use immediately preceding the date of PCS. The EGAPO offered will be determined at a portion of the EGAPO rate according to the length of occupation for domestic use under a proposed five-band system.

**An Illustrative Comparison –
Eligible Domestic Removal Allowance (DRA)
under Existing and Proposed Arrangements**

Type of occupier ⁽¹⁾	Eligibility of DRA under existing arrangements	Eligibility of DRA under proposed arrangements
Domestic occupiers of surveyed or Licensed domestic structures	\$11,884	\$11,884
Domestic occupiers of surveyed or Licensed non-domestic structures with minimum two-year continuous occupation for domestic use immediately preceding the date of PCS	Not eligible for DRA ⁽²⁾	\$11,884

Note:

- (1) The amount of eligible DRA is assessed with reference to family size. The DRA rates are revised annually at present. The current rates (effective from 1 December 2012) are:

1-person	\$4,137
2 to 3-person	\$9,134
4 to 5-person	\$11,884
6-person and above	\$15,091

For the purpose of this illustration, the comparison is made on the assumption of a 4-person family with all applicable eligibility criteria met.

- (2) It is proposed to extend the eligibility from domestic occupiers of surveyed or licensed domestic structures only at present to include domestic occupiers of surveyed or licensed non-domestic structures subject to a minimum of two-year continuous occupation for domestic use immediately preceding the date of PCS. The present proposal does not seek to revise the prevailing basis of assessment.

**An Illustrative Comparison –
Eligible Ex-gratia allowance (EGA) for Shops, Workshops,
Godowns, Slipways, Schools, Churches
and Ornamental Fish Breeding Undertakings
under Existing and Proposed Arrangements**

Type of business undertakings ⁽¹⁾	Area ⁽²⁾	Eligible EGA under existing arrangements ⁽³⁾	Eligible EGA under proposed arrangements ⁽⁴⁾
Shops	110 m ²	\$602,400	\$1,053,360
Workshops	1,025 m ²	\$1,365,000	\$1,701,000

Note:

- (1) It is proposed to extend the current eligibility of the EGA to cover business undertakings operating in structures held under licences issued after 1 June 1982, provided that the licences are derived from pre-1982 licences in respect of the structures to be cleared and without substantial changes to the conditions of the pre-1982 licences. In other words, the said business undertakings, which are at present not eligible for the EGA, will receive EGA in accordance with the enhanced basis of assessment after the implementation of the enhancements.

No change to the proportion of rates applicable to godowns, slipways, schools, churches and ornamental fish breeding undertakings is proposed. The existing proportion is:

EGA Items	Ratio between EGA Items
Open area : Covered area	1 : 6
School : Shop	2 : 3
Slipway/Godown : Workshop	1 : 2
Ornamental fish : Workshop	1 : 1

- (2) The comparison is made on the assumption that the shop structure and the workshop structure having the floor area of 110 m² and 1,025 m² respectively, with all applicable eligibility criteria met.
- (3) Under the existing arrangements, the EGAs are assessed based on 4-month rental value for shops and 12-month rental values for workshops with reference to the average rental value for these premises in the private sector.
- The current EGA rate for shop is \$10,040/m² for the first 10 m² and \$5,020/m² thereafter with no maximum payment whereas the EGA rate for workshop is \$65,000 for the first 5 to 25 m² and \$1,300/m² thereafter with no maximum payment.
- (4) Under the proposed arrangements, the EGAs are assessed based on 7-month rental value for shops and 15-month rental values for workshops with reference to the average rental value for these premises in the private sector. The proposed EGA rate for shop is thus assessed to be \$17,556/m² for the first 10 m² and \$8,778/m² thereafter with no maximum payment whereas the EGA rate for workshop is \$81,000 for the first 5 to 25 m² and \$1,620/m² thereafter with no maximum payment.

**An Illustrative Comparison –
Ex-gratia allowance (EGA) for Clearance of Graves, Kam Taps and Shrines
under Existing and Proposed Arrangements**

		Existing Arrangements ⁽¹⁾			Proposed Arrangements ⁽¹⁾		
		Removal and reprovisioning costs	Fung Shui significance allowance	Total	Removal and reprovisioning costs	Fung Shui/religious significance allowance ⁽²⁾	Total
I.	Graves/Kam Taps of Indigenous Villagers & Local Fishermen in the N.T.						
1.	Huet Chong Grave (first burial grave with no structure above ground)	\$35,619	0	\$35,619	\$35,619	\$23,614	\$59,233
2.	Yee Kung Chung (memorial grave), Formal Grave (second burial grave) ⁽³⁾						
	(a) Constructed of Blue Brick	\$170,898	\$23,614	\$194,512	\$170,898	\$23,614	\$194,512
	(b) Constructed of Shanghai Plaster	\$140,302	\$23,614	\$163,916	\$140,302	\$23,614	\$163,916
	(c) Constructed of Cement Plaster	\$132,114	\$23,614	\$155,728	\$140,302 ⁽³⁾	\$23,614	\$163,916
	(d) Constructed of Chunam Plaster	\$121,346	\$23,614	\$144,960	\$140,302 ⁽³⁾	\$23,614	\$163,916
3.	Kam Tap (without shelter)	\$3,402	0	\$3,402	\$3,402	\$4,723 ⁽⁴⁾	\$8,125
4.	Kam Tap (with shelter)	\$6,761	0	\$6,761	\$6,761	\$4,723 ⁽⁴⁾	\$11,484
II.	Shrines built and worshipped by villagers of a village as a whole in the N.T.						
	Shrines ⁽⁵⁾						
	(a) Constructed of Blue Brick	\$3,513	\$23,614	\$27,127	\$3,513	\$23,614	\$27,127
	(b) Constructed of Shanghai Plaster	\$2,884	\$23,614	\$26,498	\$2,884	\$23,614	\$26,498
	(c) Constructed of Cement Plaster	\$2,716	\$23,614	\$23,330	\$2,884 ⁽³⁾	\$23,614	\$26,498
	(d) Constructed of Chunam Plaster	\$2,504	\$23,614	\$26,118	\$2,884 ⁽³⁾	\$23,614	\$26,498

		Existing Arrangements ⁽¹⁾			Proposed Arrangements ⁽¹⁾		
		Removal and reprovisioning costs	Fung Shui significance allowance	Total	Removal and reprovisioning costs	Fung Shui/religious significance allowance ⁽²⁾	Total
III.	Graves/Kam Taps of Non Indigenous Villagers Existed before 1.7.1983 (1.10.1983 for Tuen Mun) in the N.T. ⁽⁶⁾	<u>Not</u> eligible for payment of EGA			Eligible for payment of EGA		
1.	Huet Chong Grave (first burial grave with no structure above ground)				\$35,619	\$23,614	\$59,233
2.	Yee Kun Chung (memorial grave), Formal Grave (second burial grave) ⁽³⁾						
	(a) Constructed of Blue Brick				\$170,898	\$23,614	\$194,512
	(b) Constructed of Shanghai Plaster				\$140,302	\$23,614	\$163,916
	(c) Constructed of Cement Plaster				\$140,302 ⁽³⁾	\$23,614	\$163,916
	(d) Constructed of Chunam Plaster				\$140,302 ⁽³⁾	\$23,614	\$163,916
3.	Kam Tap (without shelter)				\$3,402	\$4,723 ⁽⁴⁾	\$8,125
4.	Kam Tap (with shelter)	\$6,761	\$4,723 ⁽⁴⁾	\$11,484			

Note:

- (1) All EGAs are assessed based on the prevailing rates as at 1 July 2013.
- (2) It is proposed that the additional allowance will be renamed as “Fung Shui/Religious Significance” and payable to all cases of removal of graves and shrines. The amount of \$23,614 is the prevailing standard rate of additional allowance payable for removal of graves and shrines with “Fung Shui Significance”, where applicable.
- (3) Under the enhancement proposal, the EGA is calculated by adopting the unit rate of Shanghai Plaster. For illustration purpose, calculation of the EGA is based on the assumption that the grave is having an area of 232ft² (21.55 m²) with a height of 5.2 ft (1.59 m), with all applicable eligibility criteria met.
- (4) Under the enhancement proposal, the standard rate of additional allowance with “Fung Shui/Religious Significance” for the removal of Kam Tap is pitched at 20% of the same allowance offered for removal of grave i.e. the prevailing rate of \$23,614 x 20% = \$4,723.
- (5) For illustration purpose, calculation of the EGA is based on the assumption that the shrine is having an area of 4.69 ft² (0.44 m²) with a height of 1.88 ft (0.57 m), with all applicable eligibility criteria met.
- (6) It is proposed to extend the eligibility of the EGA from graves and Kam Taps belonging to indigenous villagers to include graves and Kam Taps belonging to non-indigenous villagers provided that the graves and Kam Taps had been in existence before 1 July 1983 (1 October 1983 for Tuen Mun District).