立法會 Legislative Council

LC Paper No. CB(3) 194/16-17

Ref : CB(3)/M/MM

Tel: 3919 3300

Date: 2 December 2016

From: Clerk to the Legislative Council

To : All Members of the Legislative Council

Council meeting of 7 December 2016

Amendments to motion on "Formulating a housing policy to alleviate the keen housing demand"

Further to LC Paper No. CB(3) 162/16-17 issued on 25 November 2016, eight Members (Hon KWOK Wai-keung, Hon LEUNG Yiu-chung, Hon Wilson OR, Dr Hon KWOK Ka-ki, Dr Hon YIU Chung-yim, Hon Andrew WAN, Hon Mrs Regina IP and Dr Hon Fernando CHEUNG) have respectively given notice of their intention to move separate amendments to Hon Paul TSE's motion on "Formulating a housing policy to alleviate the keen housing demand" scheduled for the Council meeting of 7 December 2016. As directed by the President, the respective amendments will be printed in the terms in which they were handed in on the Agenda of the Council.

- 2. The President will order a joint debate on the above motion and the eight amendments. To assist Members in debating the motion and the amendments, I set out below the procedure to be followed during the debate:
 - (a) the President calls upon Hon Paul TSE to speak and move his motion;
 - (b) the President proposes the question on Hon Paul TSE's motion;
 - (c) the President calls upon the eight Members who wish to move amendments to speak in the following order, but no amendment is to be moved at this stage:
 - (i) Hon KWOK Wai-keung;
 - (ii) Hon LEUNG Yiu-chung;

- (iii) Hon Wilson OR;
- (iv) Dr Hon KWOK Ka-ki;
- (v) Dr Hon YIU Chung-yim;
- (vi) Hon Andrew WAN;
- (vii) Hon Mrs Regina IP; and
- (viii) Dr Hon Fernando CHEUNG;
- (d) the President calls upon the public officer(s) to speak;
- (e) the President invites other Members to speak;
- (f) the President gives leave to Hon Paul TSE to speak for the second time on the amendments;
- (g) the President calls upon the public officer(s) to speak again;
- (h) in accordance with Rule 34(5) of the Rules of Procedure, the President has decided that he will call upon the eight Members to move their respective amendments in the order set out in paragraph (c) above. The President invites Hon KWOK Wai-keung to move his amendment to the motion, and forthwith proposes and puts to vote the question on Hon KWOK Wai-keung's amendment;
- (i) after Hon KWOK Wai-keung's amendment has been voted upon, the President deals with the other seven amendments; and
- (j) after all amendments have been dealt with, the President calls upon Hon Paul TSE to reply. Thereafter, the President puts to vote the question on Hon Paul TSE's motion, or his motion as amended, as the case may be.
- 3. For Members' reference, the terms of the original motion and of the motion, if amended, are set out in the **Appendix**.

(Dora WAI) for Clerk to the Legislative Council

Encl.

(Translation)

Motion debate on "Formulating a housing policy to alleviate the keen housing demand" to be held at the Council meeting of 7 December 2016

1. Hon Paul TSE's original motion

That given the ongoing low interest rate environment and insufficient land supply in Hong Kong, and the influx of capital from the Mainland into Hong Kong for massive purchases of local land and properties, etc., property prices have continued to soar, thus rendering it difficult for households of newly-wed couples, young people, retired rank-and-file staff of the disciplined services, residents of subdivided units and singletons waiting for public rental housing, etc. to find a decent home; in this connection, this Council urges the Government to expeditiously formulate an appropriate housing policy to help the aforesaid people who are in desperate need of housing.

2. Motion as amended by Hon KWOK Wai-keung

That given housing has been a livelihood issue of greatest concern to Hong Kong people and yet, the short, medium and long-term supply of public and private housing at present still remains inadequate, coupled with the ongoing low interest rate environment and insufficient the lack of land supply in Hong Kong, and the influx of capital from the Mainland into Hong Kong for massive purchases of purchase of local land and properties with outside capitals, etc., property prices have continued to soar, thus rendering it difficult for households of newly-wed couples, young people, retired rank-and-file staff of the disciplined services, residents of subdivided units and singletons waiting for public rental housing, etc. to find a decent home; in this connection, this Council urges the Government to expeditiously formulate an appropriate housing policy to help the aforesaid people who are in desperate need of housing; specific measures include:

- (1) increasing the annual construction target of public housing units in each of the coming 10 years to 33 000 units or above;
- (2) providing diversified and affordable home ownership schemes for families of different social strata and income levels, and building an integrated ladder for home acquisition, so as to enhance the quality of people's living environment;

- (3) expediting the redevelopment of aged public rental housing estates and expediting the pace of urban renewal by the Urban Renewal Authority and the Hong Kong Housing Society, with a view to increasing the supply of housing units;
- (4) considering the introduction of a vacant residential property tax and capital gains tax, and reviewing the Landlord and Tenant (Consolidation) (Amendment) Ordinance for the introduction of rent control on subdivided units, so as to curb property speculation;
- (5) providing rent allowance to families that have applied for public housing for more than three years but are still not allocated any units; and
- (6) requiring that the construction of public housing be accorded priority in using newly opened up residential land resources.

Note: Hon KWOK Wai-keung's amendment is marked in *bold and italic type* or with deletion line.

3. Motion as amended by Hon LEUNG Yiu-chung

That given in 2014, the Government set a 10-year housing supply target of 480 000 units, but the target was reduced in 2015 to 460 000, of which 280 000 would be public housing units; according to the paper submitted by the Transport and Housing Bureau to the Panel on Housing of the Legislative Council in 2015, the number of public housing units to be completed in the five-year period from 2015-2016 to 2019-2020 will only be 97 100 units, that is there will still be a shortfall of 182 900 public housing units to be built in the second five-year period (from 2020-2021 to 2024-2025) before the target can be achieved, and this has caused the public to doubt whether the Government will be able to achieve the 10-year housing supply target; in recent years, the ongoing low interest rate environment and insufficient land supply in Hong Kong, and the influx of capital from the Mainland into Hong Kong for massive purchases of local land and properties, etc., have caused the continuous soaring of property prices have continued to soar and the incessant lengthening of the waiting time for public rental housing, thus rendering it difficult for households of newly-wed couples, young people, retired rank-and-file staff of the disciplined services, residents of subdivided units and singletons waiting for public rental housing, etc. quite a number of people to find a decent home, and some of them are even forced to live in undesirable dwellings with poor conditions such as subdivided units, caged homes, etc.; in this connection, this Council urges expresses deep regret at the Government's

lack of comprehensive housing planning and inability to materialize the housing supply target; the Government to should expeditiously formulate an appropriate housing policy, including making reference to overseas practices to formulate appropriate housing standards covering the minimum average living space per person, implementing tenancy control before the problem of insufficient housing supply is properly addressed, providing transitional accommodation to needy people waiting for public housing, and reviewing afresh the Quota and Points System for non-elderly one-person applicants for public housing, so as to help the aforesaid people who are in desperate need of housing and safeguard their housing rights.

Note: Hon LEUNG Yiu-chung's amendment is marked in **bold and italic type** or with deletion line.

4. Motion as amended by Hon Wilson OR

That given the under the influence of the quantitative easing monetary policy of major economies, Hong Kong has remained in an ongoing low interest rate environment and, and given the insufficient land supply in Hong Kong, and the influx of capital from the Mainland into Hong Kong for massive purchases of local land and properties, etc., property prices have continued to soar, thus rendering it difficult for households of newly-wed couples, young people, retired rank-and-file staff of the disciplined services, residents of subdivided units and singletons waiting for public rental housing, etc. to find a decent home; in this connection, this Council urges the Government to expeditiously formulate an appropriate housing policy to help the aforesaid people who are in desperate need of housing; relevant measures include:

- (1) comprehensively reviewing the Long Term Housing Strategy for increasing public housing supply, and pegging the production volume of public rental housing units to the objective of three-year waiting time for public rental housing allocation, so as to materialize the pledge of three-year waiting time for public rental housing allocation; and making the provision of assistance to Hong Kong permanent residents in buying their own homes the priority target of the long term housing policy;
- (2) relaunching the Sandwich Class Housing Scheme and Tenants Purchase Scheme, and mobilizing market forces through various means such as the Private Sector Participation Scheme and the provision of subsidized home ownership flats by mixed development, etc., so as to increase the supply and options of subsidized housing;

- (3) through the implementation of administrative and fiscal measures, supporting social enterprises in providing low-rental accommodation to grass-root residents;
- (4) introducing a rental allowance scheme and using it as a transitional support measure to help relieve the rental burden of people who have waited for public housing for more than three years and are living in private rental flats at present;
- (5) introducing tax deduction for rental payments by making reference to the mode of tax deduction for home loan interest, so as to lessen the high rental pressure on the public;
- (6) publishing data on the areas and distribution of different types of land in the territory in a simple and easy-to-understand form, so that the public can grasp the actual situation of land supply in Hong Kong;
- (7) on the premise of considering the sustainable development of all sectors, expediting the construction of residential developments in some of the green belt areas that are of relatively low ecological value or devegetated, agricultural lands and brownfield sites;
- (8) while balancing the development of the fisheries industry and ecological conservation, increasing land supply for housing construction through appropriate reclamation outside Victoria Harbour, rock cavern development and underground space development.

Note: Hon Wilson OR's amendment is marked in *bold and italic type* or with deletion line.

5. Motion as amended by Dr Hon KWOK Ka-ki

That given the Government has all along failed to effectively catering for the public's housing needs and given the ongoing low interest rate environment and insufficient land supply in Hong Kong, and the influx of capital from the Mainland into Hong Kong for massive purchases of local land and properties, etc., property prices have continued to soar; at present, property prices in Hong Kong are 19 times the median household income, representing a drastic increase from 11.4 times in 2010, thus rendering it difficult for households of newly-wed couples, young people, retired rank-and-file staff of the disciplined services, residents of subdivided units and singletons waiting for public rental housing, etc. to find a decent home; as early as 1966, International Covenant on Economic, Social and Cultural Rights (ICESCR) already listed adequate

housing as a civil right, and as a contracting party to ICESCR, Hong Kong has the obligation to give effect to this covenant on the provision of affordable housing as a civil right; in this connection, this Council urges the Government to expeditiously formulate an appropriate housing policy to help the aforesaid people who are in desperate need of housing ensure that affordable housing units are available to the public; relevant recommendations are as follows:

- (1) abandoning the high land-price policy;
- (2) drawing up planning for using the large quantities of idle land owned by the Government at present for constructing public housing;
- (3) converting the idle properties owned by the Government at present into residential units for short-term renting by people with housing difficulties;
- (4) converting the uses of Government land zoned for 'Village Type Development' into residential sites for housing construction, so as to cater for the housing needs in Hong Kong;
- (5) adjusting the ratio of public housing units to private housing units, with a view to increasing the supply of public housing units;
- (6) according priority to developing brownfield sites for housing construction;
- (7) launching subsidized home ownership schemes targeted at the middle class for applications from people with income exceeding the income limits of public rental housing and the Home Ownership Scheme but without the means to purchase private housing units, with a view to relieving the pressure of their housing demand;
- (8) formulating a definition of adequate housing and setting the minimum standard of living space per person; and
- (9) charging yet higher rates of stamp duty to non-local buyers to curb property speculation.

Note: Dr Hon KWOK Ka-ki's amendment is marked in **bold and italic type** or with deletion line.

6. Motion as amended by Dr Hon YIU Chung-yim

That given the ongoing low interest rate environment and insufficient land supply in Hong Kong, fluctuations in the residential property market and the influx of capital from the Mainland into Hong Kong for massive purchases of local land and properties, etc., property prices have continued to soar, thus rendering it difficult for households of newly-wed couples, young people, retired rank-and-file staff of the disciplined services, residents of subdivided units and singletons waiting for public rental housing, etc. to find a decent home; in fact, most Hong Kong people acquire properties not for investment but for security of accommodation; hence, the Government must strive to resolve the housing problem of the people who have a genuine housing need; in this connection, this Council urges the Government to expeditiously formulate an appropriate housing policy to help the aforesaid people who are in desperate need of housing, such as launching a subsidized cooperative housing policy for cooperative societies to use land for housing construction by paying a nominal Government rent, with the construction, management and maintenance fees to be shared among members of cooperative societies, so as to free people from the effect of market fluctuations and enable them to enjoy the right to accommodation.

Note: Dr Hon YIU Chung-yim's amendment is marked in *bold and italic type*.

7. Motion as amended by Hon Andrew WAN

That given the ongoing low interest rate environment and insufficient land supply in Hong Kong, and the influx of capital from the Mainland into Hong Kong for massive purchases of local land and properties, etc., property prices have continued to soar, thus rendering it difficult for households of newly-wed couples, young people, retired rank and file staff of the disciplined services, residents of subdivided units and singletons waiting for public rental housing, etc. the public to find a decent home; in this connection, this Council urges the Government to expeditiously formulate an appropriate housing policy to help the aforesaid people who are in desperate need of housing, including:

- (1) increasing the land supply for public housing and the supply of these housing units, e.g. setting the supply ratio of public housing units to private housing units at 7:3;
- (2) reviewing the present Quota and Points System for non-elderly one-person applicants for public housing, so as to alter the situation of rejecting young people waiting for public housing, and suitably

increasing the number of public housing units allocated for non-elderly one-person applicants;

- (3) allocating Government sites which are left unsold after repeated auctions to the Hong Kong Housing Authority for constructing public housing;
- (4) setting a timetable to expeditiously demolish and redevelop old public housing estates which have structural problems or redevelopment potential, so as to increase the supply of public housing units;
- (5) continuing to launch the Green Form Subsidised Home Ownership Pilot Scheme and reviewing the ratio of Green Form and White Form applicants under the Home Ownership Scheme, and relaunching the Tenants Purchase Scheme;
- (6) conducting a study on providing transitional housing for grass-roots people with housing difficulties; and
- (7) pursuant to the Land Resumption Ordinance, reallocating idle agricultural land, open storage areas, brownfield sites, etc. in the New Territories that are suitable for development for construction of public housing.

Note: Hon Andrew WAN's amendment is marked in **bold and italic type** or with deletion line.

8. Motion as amended by Hon Mrs Regina IP

That given the ongoing low interest rate environment and insufficient land supply in Hong Kong, and the influx of capital from the Mainland into Hong Kong for massive purchases of local land and properties, etc., property prices have continued to soar, thus rendering it difficult for households of newly-wed couples, young people, retired rank-and-file staff of the disciplined services, residents of subdivided units and singletons waiting for public rental housing, etc. to find a decent home; in this connection, this Council urges the Government to expeditiously formulate, *through various means*, an appropriate *land and* housing policy to help the aforesaid people who are in desperate need of housing.

<u>Note</u>: Hon Mrs Regina IP's amendment is marked in *bold and italic type*.

9. Motion as amended by Dr Hon Fernando CHEUNG

That given the ongoing low interest rate environment and insufficient land supply in Hong Kong, and the influx of capital from the Mainland into Hong Kong for massive purchases of local land and properties, etc., property prices have continued to soar, thus rendering it difficult for households of newly-wed couples, young people, retired rank-and-file staff of the disciplined services, residents of subdivided units and singletons waiting for public rental housing, etc. to find a decent home; in this connection, this Council urges the Government to expeditiously formulate an appropriate housing policy to help the aforesaid people who are in desperate need of housing; *relevant measures include:*

- (1) according priority to the development of brownfield sites to expedite the construction of public housing units;
- introducing tenancy control to prevent landlords from drastically increasing rent and terminating tenancy agreements at will, so as to protect people's security of tenure;
- (3) conducting studies on using the rehousing units of the Urban Renewal Authority, vacant school premises, idle Government quarters, etc. as transitional housing; and
- (4) suspending the Green Form Subsidised Home Ownership Pilot Scheme, so as to avoid the lengthening of waiting time for public housing applicants arising from the need for time to handle the recovery and reallocation of old public housing units.

Note: Dr Hon Fernando CHEUNG's amendment is marked in *bold and italic type*.