

NOTE FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

Development at Cha Kwo Ling Kaoline Mine Site

INTRODUCTION

In considering PWSC(2001-02)86 on the proposed allocation for 2002-03 for various block allocations under the Capital Works Reserve Fund, the Administration undertook to provide additional information on the nature of the resumption project for the “Development at Cha Kwo Ling Kaoline Mine Site” under **Subhead 1100CA** (Compensation and ex-gratia allowances in respect of projects in the Public Works Programme).

THE ADMINISTRATION’S RESPONSE

2. The “Development at Cha Kwo Ling Kaoline Mine Site” has a site area of about 18 hectares for residential and school development purposes. Within the site boundaries, the Administration needs to resume 26 private building lots with a total area of some 2,270 square metres (i.e. about 0.3 hectare), and aims to complete the land resumption within 2002-03. The remaining 17.7 hectares is government land for which no resumption is required.

3. The Director of Lands (D of Lands) estimates that the total resumption and clearance costs for the project would be \$171.2 million, comprising \$140.7 million for the resumption of the 26 private lots in question and \$30.5 million for ex-gratia payments for clearerees of squatters. Subject to the eligible lot owners/clearees accepting the Administration’s offers, D of Lands projects that \$51.35 million will be required in 2002-03, and the remaining amount will be paid in subsequent years.