

Bills Committee on Town Planning (Amendment) Bill 2003
Report of the Housing Commission 1935

Purpose

In the Bills Committee Paper on the legislative intent of s.9 of the Town Planning Ordinance (LC Paper No. CB(1) 358/03-04(02)) provided by the Administration, a Report of the Housing Commission (Sessional Paper No. 12 of 1938) was mentioned. With the assistance of LegCo Secretariat, the Report is subsequently located. This Paper provides a gist of the report for Members' reference. An extract of the relevant part of the report is at Annex.

Gist of the Report

2. In 1935, the then Governor appointed a commission to enquire into the housing difficulties in Victoria and Kowloon with special reference to overcrowding and its effect on tuberculosis and to suggest steps which should be taken to remedy existing conditions. A substantial part of the report focuses on the provision of housing for the working classes. Of more direct relevance to town planning, the Commission recommended, among others, that (paragraph 15 of the Report) -

- (a) a permanent Town and Housing Committee be formed to advise Government on town planning and housing matters; and
- (b) a permanent Town Planning and Housing Sub-department of the Public Works Department be created to prepare, among others, a key plan as a guide to redevelopment; to survey sites and prepare plans for possible new developments; and to prepare legislation and devise machinery necessary to give effect to town planning and housing schemes.

Housing, Planning and Lands Bureau
November 2003

HONG KONG.

REPORT
OF THE
HOUSING COMMISSION
1935.

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HOUSING COMMISSION 1935.
REPORT.

(Paragraph references are to paragraphs in Appendix II).

1. A Commission "to enquire into the housing difficulties in Victoria and Kowloon with special reference to overcrowding and its effect on tuberculosis and suggest steps which should be taken to remedy existing conditions" was appointed by Sir William Peel under Proclamation dated 10th May, 1935. A copy of this Proclamation is attached as Appendix I.

2. In March, 1936, Mr. R. A. C. North was appointed Chairman in succession to Mr. N. L. Smith; Mr. J. J. Paterson replaced Sir William Shenton in May, 1936; and Mr. R. R. Todd (Chairman of the Urban Council) replaced Mr. W. J. Carrie in March, 1938.

3. A number of circumstances, including those which led to the appointment of Mr. Smith to act as Colonial Secretary and subsequently as Officer Administering the Government in 1935, the appointment of Mr. North to act as Colonial Secretary in 1936 and 1937, the outbreak of hostilities between China and Japan, and the necessity of securing information regarding action taken elsewhere, led to considerable delay in the preparation of the report.

4. Apart from these circumstances, we have met with some difficulty in reaching an agreement among ourselves in the matter of making definite recommendations, and have been obliged, after much discussion, to abandon our original intention of dealing with our subject in detail, and to substitute proposals which amount, in the main, to a recommendation that the problem be approached *ab initio* by experts who have made a special study of such matters as Town Planning, Housing and Slum Clearance. The most that we feel ourselves qualified to do is to suggest the directions in which this approach should be made.

5. We attach as Appendix II of this report, a memorandum prepared for us by our Secretary, Mr. W. H. Owen. We have given this memorandum very careful consideration and have examined in detail the views and suggestions there put forward.

6. While we are aware that this memorandum contains statements which are controversial, and that some of the suggestions contained therein are regarded as impracticable in present circumstances, we have included it in full and have used it to illustrate the conclusions set out in this report. We hope that this study of the problem, which is based on a careful examination of local conditions and of the methods adopted in other countries, may prove both interesting and useful.

7. It will serve to illustrate the difficulties which must be faced in any attempt to apply to Hong Kong methods which have been adopted elsewhere, if we point out that the standards of housing considered in Appendix II are below those acceptable in many European countries.

8. We have not thought it worth while to burden this report with a discussion of the relationship between overcrowding and tuberculosis, and, indeed, many other contagious and infectious diseases. The facts do not admit of controversy and may, we feel, be taken for granted.

9. Hong Kong is a powerful magnet drawing to itself not only the seekers after work but hangers-on and parasites of all kinds. The struggle for existence is very severe. It is only too common, especially amongst unskilled labourers, to find three men doing the work of one and sharing remuneration which might be adequate for one but is certainly insufficient for three; while the regular employee is fortunate if he is not maintaining a number of relatives out of his earnings.

10. The system of contracting and sub-contracting is often carried to extreme lengths, and results, in many instances, in the inability of the final sub-contractor to pay even the low wages on which he has based his contract.

11. Still more reprehensible is the system by which individuals or organizations levy commission in return for introduction to employment, or exact blackmail in the guise of "fees for protection against competition".

12. Conceivably the various systems by which the proceeds of every piece of work tend to filter through to the largest possible number of individuals might be regarded as an elementary form of practical socialism, without which the even more serious problem of complete unemployment of a large part of the population would have to be faced. We believe that there is no escape from one problem or the other so long as an enormous reservoir of population exists at our door, unless it is a remedy which presents very serious difficulties, namely, restriction of immigration.

13. For these reasons we do not believe that any measures which can reasonably be taken can, in the immediate future, have any noticeable effect on the problem of overcrowding, the problem which we were primarily appointed to consider. We consider, however, that some action is possible which, even if it will not altogether put a stop to overcrowding may eventually reduce its proportions and at least would improve the hygienic conditions of premises, even though they be overcrowded.

14. Our investigations have led us to certain conclusions regarding the causes of overcrowding and the conditions which are essential, if overcrowding is to be alleviated, and improved housing accommodation provided for the masses. Our conclusions are:—

(i). Overcrowding arises almost entirely from poverty which in Hong Kong is so dire that many families cannot afford any rent at all, and that, of the remainder, the majority can afford so little rent that a normal interest rate on capital outlay for housing cannot be obtained. Poverty itself is the result of an economic system over which Government has little or no control. Any attempt to alleviate overcrowding and improve housing must abide by the conditions imposed by that system. (Paragraphs 1, 3, 19-23, 28-70).

(ii). For a great number of the population the rents which can be afforded vary from nothing to a maximum of about \$7.50 per month per family. (Paragraphs 19-23).

(iii). For those who can afford between \$4.00 and \$7.50 per month, it appears feasible under reasonably favourable conditions to provide improved housing without loss. (Paragraphs 64-73).

(iv). The existing standard types of tenement houses, which have been evolved from the use of the China fir pole, are now uneconomical in design and in many details of construction, and the plan is not adapted for family life under existing conditions of poverty. In consequence overcrowding, primarily due to poverty, is accentuated by the system of subletting which arises from accommodation not properly adapted to the needs and circumstances of the population. (Paragraphs 4, 18, 24-29).

(v). Under present circumstances it is not practicable to enforce the law against overcrowding. (Paragraphs 28, 70).

(vi). To reduce overcrowding and permit the law to be enforced it is essential (a) to provide more and better designed houses until sufficient accommodation is available, (b) to decentralize the population, (c) to reduce building density. (Paragraphs 12, 42-61, 64-73).

(vii). Decentralization cannot be achieved unless means of livelihood are provided within easy reach of new housing areas. (Paragraphs 79, 80).

(viii). The bulk of Chinese industries are of the "home" variety. Factories however are being established in increasing numbers, but at present the majority of the concerns are small and cannot afford to build their factories in undeveloped areas. They are therefore competing with householders and housebuilders for premises and sites for their factories and tending to increase the prevailing congestion. (Paragraphs 13-16).

(ix). Before factories can be established outside the populated districts certain requirements must be fulfilled. They include the provision of public services such as water supply, light and power supply, drainage and sewage disposal, adequate

communications and houses for their employees. These requirements should, if possible, be fulfilled in advance of the erection of factories or at least there should be a guarantee that such provision will be made by the time the factories are ready to operate. (Paragraph 16).

(x). At the present time there is a tendency for the factories to increase in size and number. If they be permitted to become established in the congested areas decentralization would be much more difficult and expensive. The cost may well be prohibitive. It is essential therefore that, in order to prevent further congestion in built-up areas, the establishment of factories in those areas should be strictly controlled and that every possible inducement should be offered to attract them to new areas to provide work for the decentralized population. (Paragraph 16).

(xi). The provision of adequate housing for the poorer classes cannot be left to private enterprise unassisted. If the housing is to conform to acceptable standards the return on capital will not be sufficient to attract private enterprise; to put it another way, the return on capital normally expected by private enterprise can only be achieved by overcrowding in houses which are below acceptable standards. If new and improved housing be provided for these classes, it will be necessary to ensure supervision and provide social services on lines similar to those adopted in many European countries. (Paragraphs 4, 33-40, 70, 75).

(xii). Slum clearance envisages reduced building density and reduced population density, and in consequence a large number of the present population will eventually have to be housed elsewhere. This accommodation must be available before slum clearance can be commenced. (Paragraphs 78, 79).

(xiii). Before the actual clearance of slums can be undertaken, it will be necessary to prepare a survey of local industry and housing, each in relation to the other; to prepare a survey of existing buildings, particularly houses, in order to find the number and situation of those which do not conform to acceptable standards; to prepare a key plan as a guide to redevelopment as opportunity occurs; to survey sites and prepare plans for possible new developments; and to prepare legislation and devise machinery necessary to give effect to town planning and housing schemes. This preparatory work and eventual constructional work will take many years and some form of permanent authority will be necessary to organize, carry out and control such an undertaking. (Paragraphs 84, 94-103).

(xiv). If the provision of working class housing and the clearance of slums be undertaken financial provision will be required for:—

- (a) New housing, both in new and built-up areas, for those who can afford a small economic return.
- (b) New housing for those who can only be housed at a loss.
- (c) Compensation arising out of slum clearance.

(xv). Of the means of raising revenue for these purposes two which most immediately occur to mind are a loan or a special tax. A possible alternative is to raise revenue by the issue of "Housing Shares" in the same way that, in commerce, capital is raised by issuing shares. The last method, if successful, would eliminate the sinking fund for amortization of loan. Should circumstances permit funds might be provided from general revenue. For compensation arising out of slum clearance this might be feasible, but the provision of new housing will involve the annual expenditure of large sums, which may be beyond the capacity of general revenue, on its present basis, to provide. The financial aspect needs further examination by specialists. (Paragraphs 62, 63, 71, 72, 73, 86, 89, 90, 92).

(xvi). If and when slum clearance be decided upon, it is highly desirable that progress should be subject to as little fluctuation as possible. This would involve a steady supply of funds. (Paragraph 92).

(xvii). It is also desirable that, in order to combat the evil effects of overcrowding, parks should be provided. It is not suggested that these parks should be laid out and equipped for organized games, but that they should simply be open spaces in which the population can enjoy fresh air. They should be in or close to the congested areas and should be large enough to ensure that the air is

purser than in the neighbouring streets. The provision of the King George V Playing Fields is a step in the right direction, but does not go far enough. There should be many more such parks. (Paragraph 104).

15. In view of the foregoing conclusions we recommend:—

(i). That a permanent Town Planning and Housing Committee be formed to advise Government on Town Planning and Housing matters.

(ii). That a permanent Town Planning and Housing Sub-Department of the Public Works Department be created to carry out the work mentioned in Paragraph 14 (xiii).

(iii). That, when that preliminary work has been completed, it should be subject to review and criticism by an acknowledged expert from England.

(iv). That Government should encourage and, where necessary, assist the establishment, by charitable organizations, of "settlements" in the slum areas.

(v). That Government should consider the erection of experimental quarters for their Asiatic employees. While the provision of these quarters will, in a small degree, increase the amount of available accommodation, their special value will lie in enabling experiments to be made with a view to devising a more satisfactory type of dwelling.

(vi). That Section 167 Sub-Section (3) of the Buildings Ordinance of 1935 be deleted, and the following two sub-sections be substituted:—

(3) The provisions of Sections 6 and 116, so far as they relate to authorized architects, shall not apply in any case in which the Building Authority shall so decide.

(4) Buildings in accordance with type plans, approved under Regulations, prepared under the direction of the Governor in Council, and contained in Schedule O, may be erected in any part of the Colony (Note: Schedule O will, presumably, be prepared by the Town Planning and Housing Committee).

(vii). That Government shall as soon as possible put forward proposals for the provision of parks in suitable areas.

16. We cannot close this report without a reference to the valuable services rendered by our Secretary, Mr. W. H. Owen, and to the enthusiasm and ability which he has shown throughout this enquiry. Mr. Owen has made a special study of the subject of housing and town planning, and Appendix II is only one of a series of memoranda which he has drawn up for the consideration of the Commission. We recommend that suitable acknowledgment should be made of his work in this connexion.

We have the honour to be,

Your Excellency's most obedient servants,

R. A. C. NORTH (*Chairman*),

R. M. HENDERSON,

R. H. KOTEWALL,

LI SHU EAN,

J. J. PATERSON (subject to reservation),

R. R. TODD,

G. W. POPE (subject to reservation),

G. G. WOOD.

HONG KONG, 11th October, 1938.

90. One of the greatest difficulties in the way of slum clearance is the numerous separate ownerships. Resumption of suitable areas progressively will overcome this difficulty. Occasions may arise however where one area is being dealt with and owners in another area wish to rebuild. Reverting to the previous illustration of a block of eight houses; if they are under eight different ownerships and it is desired that only six houses be erected on the area then compensation might be paid to two owners and the remaining six allowed to rebuild with wider frontage and shallower depth but each with the same area of land that he possessed before. Alternatively, the eight owners might be persuaded to pool their resources and build six houses between them, each taking shares in proportion to the value of his original holding.

91. It is possible however that the land on which the block is built may be required for open space, or a new road, in which case it would be necessary to resume the whole area. To reduce cash compensation to a minimum land of equal value in new settlements might be offered in exchange. On occasion it may arise that a number of blocks may have to be dealt with in order to make rebuilding operations fit in with the redevelopment plan. The same procedure on an enlarged scale might be adopted.

92. It is highly desirable that all Housing Finance should be kept separate from general Colonial Accounts. For new building work it has been suggested that the general public be invited to buy shares, but for slum clearance the money for compensation would have to be supplied by Government. The costs for compensation cannot possibly be estimated until a re-development plan and clearance programme have been prepared. It does not seem possible to commence actual clearance work for some years. In preparation for the time when the preliminary work has been completed, and actual operations are possible, it seems advisable that Government should start a Housing and Slum Clearance Fund, with an annual contribution of as much as can be afforded. By this means, if the "resume, re-plan and re-sell" policy be adopted, there will be sufficient funds available to pay for the first resumption. A proportion of the purchase price will be recovered on resale and thereafter the annual contribution to the Housing Fund will be required to make up the losses on each area dealt with. The rate of progress will depend on the annual contribution available for use, but it would be advisable to accumulate approximately \$2,000,000 to enable the first resumption to be made.

Planning.

93. Much could be written on the subject of planning, but it is a technical subject best left in the hands of a permanent planning authority. It is only necessary here to deal with general considerations having a bearing on this report.

94. The planning of the individual tenement to suit the needs of the people has been dealt with, but only in connection with the existing types and one alternative. There are a number of possible alternatives which might be considered, such as hostels with communal kitchens, dining rooms, lavatories, etc., and cubicles for the tenants, arranged for family or individual use. For individual tenements there is room for investigation and experiment regarding details, such as the question of staircase or balcony access (see Plan No. 4), removal of sewage, refuse and smoke, the insulation and use of flat roofs and any modifications in existing by-laws, which may be desirable for improved types of dwellings. (The suggested new design on Plan No. 3 Type B does not conform to the existing by-laws). The use, source, cost and availability of different building materials and the capacity of the building trades to cope with a building programme are subjects which also need investigation.

95. The clearance of slums involves the settlement of the dispossessed surplus elsewhere. Sites for new settlements must be found and planned. There are several possible areas in the New Territories such as Shatin, Tsun Wan, Un Long, Taipo and Fanling, but before development can be commenced the questions of water supply, communications, flood prevention, drainage and sewage disposal and in some cases reclamation must be given serious consideration. Slum clearance itself means large scale replanning of developed areas, affected by innumerable

complications such as separate ownerships, compensation, new buildings, existing public services and such like. No authority can cope with these difficulties unless endowed with suitable legal powers, which at present do not exist.

96. Town planning deals in the main with private property and the rights of vested interest are jealously guarded.

97. In any civilised community liberty of action cannot be allowed if such action is detrimental to the interests of the community as a whole. If a case has been made out for the clearance and replanning of slum areas some restrictions on rebuilding by private owners become essential. Private interests must be safeguarded however and compensation paid for any legitimate losses incurred. In England, under the Town and Country Planning Act of 1932 compensation is payable when property is injuriously affected.

- (1). By the coming into operation of a Town Planning Scheme (e.g., Loss in value).
- (2). By infringement or curtailment of owners' legal rights.
- (3). By enforcement of powers to carry out a scheme.
- (4). By incurrence of expenditure in carrying out a scheme.

98. Certain cases are specified in which the owner of property affected by a Town Planning Scheme is excluded from claiming compensation. They are:—

- (1). Prescription of space about buildings.
- (2). Limitation of number of buildings.
- (3). Regulation of size, height design or external appearance of buildings.
- (4). Prohibition or restriction of building operations only pending a general development order.
- (5). Prohibition or restriction of building operations permanently by reason situation or nature of land, if buildings thereon are likely to involve danger or injury to health or excessive cost in public services.
- (6). Prohibition or restriction of use of land (other than by building operations) likely to involve danger or injury to health or serious detriment to the neighbourhood.
- (7). Restriction in use of building.
- (8). Regulation of height and position of proposed fence, walls, hedges, etc., near road corners or bends, in the interests of traffic safety.
- (9). Limitation of number, or prescription of sites of new roads entering on an existing or proposed classified road.
- (10). Fixing of building lines on land not part of a building for five years previous to material date.
- (11). Provision of accommodation for loading and unloading or fuelling vehicles in buildings proposed to be used for business or industry in order to prevent obstruction of a highway.

Item 4 might be qualified by fixing a reasonable period of time during which restrictions can be imposed.

99. It is right that the legitimate interests of the individual should not be sacrificed to the good of the community without some compensation. It is equally right that, if by the act of the community through its elected representatives, the value of individual interests are greatly enhanced then the individual should refund at least a portion of his gains to the community. The Town and Country Planning Act in England provides for the payment of 75% of such gains.

100. The above items give some indication of the scope of a Town Planning Scheme in so far as it may affect private property. No Town Planning or Slum Clearance Scheme, however ideal on paper, can be given effect without the aid of the law. The value of a plan is conditioned by the extent to which it can be given legal effect. In Hong Kong the only law which in any appreciable way assists redevelopment is the Valuation and Resumptions Ordinance. This however is limited in scope as it only provides for the compulsory purchase of property for a public purpose. The law of town planning is the machinery necessary to give effect to town planning. In Hong Kong the machinery is quite inadequate for the purpose. The law in other countries may or may not be adequate, but such as it is, it is based on local conditions and therefore cannot be arbitrarily taken over for use in Hong Kong. In view of the many matters with which such a law must deal, and the time which it would take to formulate, it is sufficient for this report to indicate its nature and necessity and leave the actual framing to a legal and technical committee appointed for the purpose.

101. Finally the constitution and organisation of the planning and housing authority itself remains to be considered. In England the Housing and Town Planning Authorities are usually separate committees elected from the Municipal Council. For housing itself there is usually a separate municipal department, but town planning is normally a sub-department, working under the City Engineer, an arrangement which has few advantages and many drawbacks. In European continental towns Housing, Town Planning and City Engineering are normally separate departments. In America arrangements vary considerably but it has been advocated by a prominent American town planner that the best system would be the appointment of a permanent City Planning Commission, with its own technical staff, and that the heads of various departments such as Engineering, Architectural and Legal, act as advisors.

102. It must be remembered that Housing, Slum Clearance and Town Planning deal largely with private property, and work on any appreciable scale will mean direct contact and many difficult and protracted negotiations with owners. It would not be fair to throw this work and its attendant responsibilities onto a single Government official, nor should he be made to accept nominal responsibility for the work, if carried out by a subordinate.

103. For Hong Kong a suitable organisation would be for the general direction of and responsibility for the work to be in the hands of a permanent committee, assisted by an executive and technical staff attached to the Public Works Department for administration only, but responsible directly to the Committee for the technical side of its work. Town Planning, Housing and Public Works are closely related and co-operation is essential, to avoid overlapping or working at cross purposes. If the Director of Public Works or his representative, such as the senior Assistant Director, be an *ex-officio* member of the Committee, contact is maintained, and by, the attachment of the Committee's technical staff to the Public Works Department, administration expenses can be saved and close contact between the two staffs made possible.

104. In this report we have been compelled to deal largely with generalities rather than with precise detailed facts, the collection of which would be better left in the hands of a permanent authority. The abnormal poverty of the masses precludes any possibility of providing decent housing accommodation for all, even of a low standard, without the supply of large sums of money from Government or charity. For a certain number however, possibly a quarter or a third of the population at a guess, it does seem possible to provide adequate housing accommodation at little or no cost to Government. Slum clearance will cost money, but, by the allocation each year of a not unreasonable sum from public funds, progress can be made, even though it be slow. Finally, even if little can be done about the slums, there is no obstacle in the way of preventing their spread, by the simple expedient of properly planning future development, with a building unit of shallower depth and wider frontage, and zoning for different land usages. The provision of simply laid out parks, cheaply developed, would be a decided asset to induce the slum dwellers into the fresh air. These parks should be in or near the congested areas and easily accessible.

W. H. OWEN.