

Speaking Note for SHPL Special Finance Committee Meeting

Mr Chairman,

Our work in the Buildings, Lands and Planning policy area in the coming year will focus on four priority tasks: undertaking long-term strategic planning for Hong Kong; providing land to meet market demand; enhancing the safety and promoting the timely maintenance of our buildings; and taking forward the urban renewal programme.

Planning

2. On the planning front, we are preparing detailed proposals to amend the Town Planning Ordinance with a view to streamlining and expediting the town planning process and promoting public participation. We have earlier briefed the Legislative Council, major political parties, professional bodies and stakeholders on the proposed amendments and sought their views. We plan to submit the Amendment Bill to the Legislative Council in the middle of this year.

3. Another major task of ours is the on-going “Hong Kong 2030” long-term planning study. The Study has now proceeded to Stage 3 during which various development scenarios and options will be formulated based on past trends, current data and relevant government policies. In formulating the development scenarios, we will take into account the latest projections on Hong Kong’s population and housing demand, as well as the recently announced population policy. Stage 3 of the Study is expected to be completed in the middle of this year, whereupon we will consult the Legislative Council and the public.

4. Good progress has been made on the West Kowloon Cultural District project. We have now drawn up our requirements for the major arts and cultural facilities and are in the process of finalising the development parameters in the light of the potential implications of different options. We plan to invite development consortia to submit proposals for the development of the site in the coming months.

Land Supply

5. Our land policy will work in tandem with our housing policy to help maintain stability in the development of the property market. The Government will continue to provide land to meet market demand. We would include various types and sizes of land, as appropriate, in the new Application List for use next year and beyond so as to ensure a flexible supply of land to meet market demand. These measures would facilitate the continued stability of the property market.

6. We will review the Small House Policy and related issues in a comprehensive manner in order to resolve the associated problems. As a first step, we will consult various stakeholders with a view to making preliminary proposals for more in-depth discussion.

Building Safety and Maintenance

7. In 2002, we achieved a record of removing some 38,000 unauthorized building works, and provided approximately \$84 million of loans to building owners for effecting repairs and improvements to their buildings. To further rationalize the building control regime and strengthen law enforcement, we plan to introduce the Buildings (Amendment) Bill into the Legislative Council shortly. A major proposal of the Bill is a minor works control regime.

Urban Renewal

8. Last year, we put in place a financial support package for the Urban Renewal Authority. The Authority also launched 8 redevelopment projects as scheduled. At present, it is formulating a strategy for its rehabilitation work. The Financial Secretary has approved its second five-year Corporate Plan and annual Business Plan. We will continue to support the Authority in taking forward the urban renewal programme.

Expenditure on Buildings, Lands and Planning

9. To implement the policies on Building, Lands and Planning, we estimate that the public expenditure for this policy area in 2003-04 will be \$10,880 million, representing 3.8% of the total public expenditure. We will make good use of our resources. We will lower our operating expenditure by 1.8% next year to achieve savings of \$61 million.

10. The Government has pledged to further reduce the overall operating expenditure by \$20 billion and cut its civil service establishment by 10% by 2006-07. The Housing, Planning and Lands Bureau will play its part and together with Departments under my charge, we will critically review our operations, service delivery and cost structure, with a view to identifying further savings. In formulating our proposals, we will take a holistic approach, and will judiciously reallocate our resources, while at the same time taking on board all measures in reengineering, restructuring and reprioritizing, focusing attention on our core services and making the best use of the market. We are confident that we will be able to achieve the target set by the Government.

11. My colleagues and I will be happy to answer any questions that Members may have.