

香港特別行政區政府
房屋及規劃地政局局長



SECRETARY FOR HOUSING,
PLANNING AND LANDS
Government of the Hong Kong
Special Administrative Region

30 December 2002

Clerk, Public Accounts Committee
Legislative Council
Legislative Council Building
8 Jackson Road
Central
Hong Kong

(Attn: Mr Colin Chui)

Dear Mr Chui,

**The Director of Audit's Report on the
results of value for money audits (Report No. 39)**

Chapter 8: Small house grants in the New Territories

Thank you for your letter of 13 December 2002. The information requested by the Public Accounts Committee (PAC) is as follows:

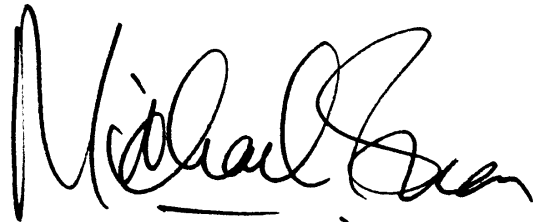
- (a) The Small House Policy review involves a number of complex and inter-related issues, such as the optimal use of land resources, and various environmental and transport infrastructural matters associated with small house developments. We intend to review the Small House Policy in a comprehensive manner and identify suitable options for resolving those problems associated with the Policy. We will consult stakeholders along the way and try to reach some tentative conclusions with them for further consultation with the community. We will do our best to expedite the review but given the complexity of the issues involved, it is unlikely that it can be completed within one year.
- (b) Subsequent to the release of the PAC Report No. 10, the Administration conducted a review of the practice of granting land to male indigenous villagers who were no longer residents in Hong Kong. The Administration reported the outcome of

this review to the PAC in the "Progress Report on Follow-up Action on PAC Report" submitted by the then Chief Secretary on 28 September 1989. A copy of the relevant correspondence and extract of the aforementioned Progress Report is attached (at Annex) for PAC's reference.

The Administration then was of the view that the Small House Policy did not exclude male indigenous villagers who resided overseas from applying for small house grants. The Administration also took the view that if the overseas indigenous villager did not intend to return shortly to reside in his house, his application would be accorded low priority in the face of other applications with more pressing housing needs. This arrangement for processing applications from overseas indigenous villagers has remain unchanged.

- (c) As indicated in paragraph 1(a) above, our intention is to review the Small House Policy in a comprehensive manner. The issue mentioned in paragraph 1(b) above will be included in the review.
- (d) Our present review will encompass the question of whether the various arrangements for land grant applications under the Small House Policy is one of the lawful traditional rights and interests of the indigenous inhabitants of the New Territories which are protected by the Hong Kong Special Administrative Region under Article 40 of the Basic Law.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Michael M. Y. Suen". The signature is fluid and cursive, with a horizontal line underlining the name.

(Michael M. Y. SUEN)
Secretary for Housing, Planning and Lands

c.c.

Secretary for Financial Services and the Treasury
Permanent Secretary for Housing, Planning and Lands
(Planning and Lands)
Director of Lands
Director of Audit

**Note by Clerk, PAC: Annex not attached.*