



**新 界 鄉 議 局**  
**HEUNG YEE KUK NEW TERRITORIES**

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**Your Ref:CB(3)/PAC/R39**

**The Chairman**

**Public Accounts Committee**

**c/o The Legislative Council**

**Government of the Hong Kong Special Administrative Region**

Dear Sirs,

**Chapter 8:Small house grants in New territories**

Our Kuk is aware that your Committee would like to know the views of our Kuk on the Government's proposal to include a moratorium clause on the removal of restriction on alienation on small house building licenses... etc.

Our Kuk understands that the Government's said proposal was made as a result of certain comments made in three High Court cases on the specific issue of the making of alleged false declaration by an indigenous villager in the application for a building license under the Small House Policy to the effect that the indigenous villager declares that he is the owner of the subject lot when in fact the beneficial ownership of the said lot belongs to the developer.

Our Kuk is of the view that these cases are in fact independent and isolated cases and as such they should be dealt with by the Administration under the existing law. The interest that is being enjoyed by the indigenous villagers pursuant to the grant of small houses under the Small House Policy is in fact one of the lawful traditional rights and interests of the indigenous inhabitants in the New Territories protected by the Article 40 of the Basic Law and the same had been duly confirmed by the Court of Final Appeal. Accordingly, Our Kuk considers that it would be



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manifestly inappropriate for the Government to use moratorium as a “cut-off” method to attempt to solve the problem.

Our Kuk would strongly object to any proposal that purports to vary the existing Small House Policy on the ground that the same would seriously contravene Article 40 of the Basic Law.

Our Kuk would inform you that a Working Group has already been set up between the Government and the Kuk to discuss the issue relating to the prevention of abuse of the Policy. The Working Group has held its first meeting on 28th November 2002 and that a second meeting will be held sometime in mid January 2003 for further discussion and study into the matter.

Yours faithfully,



(The Secretary)

for Chairman of Heung Yee Kuk