

立法會
Legislative Council

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Finance Committee of the Legislative Council

**Minutes of the 14th special meeting
held at the Legislative Council Chamber
on Wednesday, 21 July 2004, at 2:30 pm**

Members present:

Dr Hon Philip WONG Yu-hong, GBS (Chairman)

Hon NG Leung-sing, SBS, JP (Deputy Chairman)

Hon James TIEN Pei-chun, GBS, JP

Dr Hon David CHU Yu-lin, JP

Hon Albert HO Chun-yan

Ir Dr Hon Raymond HO Chung-tai, JP

Hon LEE Cheuk-yan

Dr Hon Eric LI Ka-cheung, GBS, JP

Dr Hon David LI Kwok-po, GBS, JP

Hon Fred LI Wah-ming, JP

Hon Margaret NG

Hon James TO Kun-sun

Hon CHEUNG Man-kwong

Hon CHAN Kwok-keung, JP

Hon CHAN Yuen-han, JP

Hon CHAN Kam-lam, JP

Hon SIN Chung-kai, JP

Hon Andrew WONG Wang-fat, JP

Hon WONG Yung-kan, JP

Hon Jasper TSANG Yok-sing, GBS, JP

Hon Howard YOUNG, SBS, JP

Dr Hon YEUNG Sum

Hon YEUNG Yiu-chung, BBS, JP

Hon LAU Kong-wah, JP

Hon Miriam LAU Kin-yee, GBS, JP

Hon Ambrose LAU Hon-chuen, GBS, JP

Hon Emily LAU Wai-hing, JP

Hon CHOY So-yuk

Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, BBS, JP
Hon Henry WU King-cheong, BBS, JP
Hon Michael MAK Kwok-fung
Hon Albert CHAN Wai-yip
Hon LEUNG Fu-wah, MH, JP
Hon WONG Sing-chi
Hon IP Kwok-him, GBS, JP
Hon MA Fung-kwok, SBS, JP

Members absent:

Hon Kenneth TING Woo-shou, SBS, JP
Hon Cyd HO Sau-lan
Hon Martin LEE Chu-ming, SC, JP
Dr Hon LUI Ming-wah, JP
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon HUI Cheung-ching, SBS, JP
Hon Bernard CHAN, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon LEUNG Yiu-chung
Hon LAU Chin-shek, JP
Hon LAU Wong-fat, GBS, JP
Hon SZETO Wah
Hon Timothy FOK Tsun-ting, GBS, JP
Dr Hon LAW Chi-kwong, JP
Dr Hon TANG Siu-tong, JP
Hon Tommy CHEUNG Yu-yan, JP
Dr Hon LO Wing-lok, JP
Hon Frederick FUNG Kin-kee, JP
Hon LAU Ping-cheung, SBS
Hon Audrey EU Yuet-mee, SC, JP

Public officers attending:

Mr Frederick MA Si-hang, JP	Secretary for Financial Services and the Treasury
Mr Martin GLASS, JP	Acting Permanent Secretary for Financial Services and the Treasury (Treasury)
Miss Elizabeth TSE, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Alfred FOK	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Mr Stanley YING, JP	Permanent Secretary for Security
Mr David W K HOOI	Principal Management Services Officer (Security), Security Bureau
Mr C H YUE, JP	Director of Architectural Services
Mr K K NG	Assistant Director of Architectural Services (Property Services), Architectural Services Department
Mr MOK Kam-kwan, JP	Deputy Government Property Administrator, Government Property Agency
Mr LAM Kin-ha	Chief Property Manager (Acquisition, Allocation and Disposal), Government Property Agency
Mr TAM Wing-pong, JP	Deputy Director (Strategy) of Housing Department
Mr TSE Shu-chun	Acting Assistant Commissioner of Police (Per)
Mrs Grace LEUNG	Superintendent of Police

Clerk in attendance:

Ms Pauline NG	Assistant Secretary General 1
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Staff in attendance:

Miss Becky YU	Chief Council Secretary (1)1
Ms Caris CHAN	Senior Legislative Assistant 1
Mr Frankie WOO	Legislative Assistant 2

Action

Item No. 1 - FCR(2004-05)28

HEAD 703 – BUILDINGS

Quarters – Internal security

50JA – Purchase of surplus Home Ownership Scheme flats for reprovisioning departmental quarters for the disciplined services

The Chairman invited the Administration to brief members on the progress of consultation with the relevant staff associations since the proposal was withdrawn at the Finance Committee (FC) meeting on 2 July 2004.

2. The Permanent Secretary for Security (PS for S) advised that following the FC meeting on 2 July 2004, a case conference between Duty Roster Members (DRMs) and the Administration was held on 19 July 2004 during which the Administration reported on the consultation with relevant staff associations on the proposed reprovisioning. At the case conference, the Administration undertook to provide half-yearly reports on the progress of reprovisioning and, subject to the availability of resources and according to the existing mechanism, assist those of the affected staff who wished to be relocated in their own district. PS for S also advised that a joint working group would be set up by the Administration together with the Disciplined Services Consultative Council (DSCC) and the Junior Police Officers' Association (JPOA) to follow up on the details of the implementation of the reprovisioning exercise.

3. Mr WONG Sing-chi said that Members of the Democratic Party (DP) supported in principle the use of surplus Home Ownership Scheme (HOS) flats for the reprovisioning of substandard departmental quarters (DQs) for the disciplined services. He hoped that the Administration would be able to learn from this reprovisioning exercise the importance of consultation as part of the established policy such that recurrence of similar incidents could be avoided in future. He then enquired about the measures which the Administration would adopt to assist those affected staff who could not find suitable alternative accommodation within the decantation period.

4. PS for S explained that the Security Bureau (SB) had had informal exchanges of views with the relevant staff associations when the proposal was still at a preliminary stage. At that time, SB had already apprised the staff side representatives of DSCC and JPOA of the proposed reprovisioning arrangements, the details of which had in turn been uploaded onto JPOA's website. JPOA representatives had also consulted the eight residents' associations of the affected Police DQs on the reprovisioning proposal. The feedback was favourable and there was general support for early reprovisioning. Affected staff were well aware that the allocation of the 15 DQs had been frozen, which was a clear indication that those substandard DQs would be reprovisioned. Notwithstanding this, the Administration agreed to step up its efforts in consulting the affected staff with a view to meeting their needs. By way of illustration, the target date for decantation had been extended to June 2006 to allow sufficient time for the affected staff to apply for new quarters in the HOS developments or existing quarters at other locations. Where there were genuine difficulties in relocation before the expiry of the decantation period, the Administration would exercise discretion and provide assistance on a case-by-case basis. PS for S however stressed the need to adhere to a target completion date given the resource implications in further extending the decantation period. Mr WONG Sing-chi held the view that the Administration should try to extend the decantation period for those who had reasonable grounds for not being able to meet the deadline. In order not to affect the staff who wished to be reprovisioned, he said that DP Members would support the proposal.

5. Mr Fred LI said that he also wished to reflect the views of other staff associations which were keen to be reprovisioned as the facilities within the existing DQs, particularly those for the Custom and Excise Department (C&ED), were highly substandard. He had earlier on met with some staff associations of the Police, Fire Services Department, Immigration Department and C&ED. These associations were in support of early funding approval for the proposed reprovisioning to allow sufficient time and flexibility in addressing the needs of individual staff who might have difficulties in relocation. Mr LI hoped that suitable assistance could be rendered to the affected staff by SB and the Government Property Agency (GPA).

6. Mr IP Kwok-him said that Members of the Democratic Alliance for Betterment of Hong Kong supported the use of surplus HOS flats for the reprovisioning of substandard DQs as this would create a win-win situation to dispose of the surplus HOS flats on the one hand and to improve the living conditions of disciplined staff on the other. However, there was dissatisfaction about the lack of thorough consideration on the means to resolve the difficulties faced by some affected staff. Regarding staff consultation, Mr CHAN Kam-lam asked the Administration to provide an up-to-date position report on the feedback from the relevant staff and residents' associations on the proposed reprovisioning arrangements.

7. PS for S said that SB had all along been maintaining close liaison with them. According to the latest submissions from DSCC and JPOA dated 13 and 14 July 2004 respectively, both indicated their support for early funding approval for the proposed reprovisioning within the current Legislative Council (LegCo) session so as not to affect the relocation plans of staff concerned. DSCC had also agreed to continue to liaise with GPA and the joint working group to work out the details of reprovisioning. Meanwhile, JPOA was liaising with the eight residents' associations. While the majority of the associations had accepted the proposal and supported early funding approval, there were others, particularly those from the Shatin/Tanner Road/Western District Police Quarters, who had requested further review of the reprovisioning arrangements before funding was approved.

8. Mr IP Kowk-him noted that the Administration agreed at the case conference held on 19 July 2004 to assist in the reprovisioning of affected staff who wished to be relocated within the same district. He enquired how this could be done. PS for S said that while the Administration would try its best to reprovision affected staff within the same district as far as possible, there was no guarantee that this could be achieved. With the provision of a 23-month decantation period, the allocation of extra points under the DQ allocation system and the availability of DQs in various districts, including quarters vacated by occupants of existing quarters moving to new quarters in the HOS developments, there was a good chance that the affected staff who wished to be relocated within the same district would be able to do so.

9. Mr IP Kwok-him hoped that the disciplined staff would not be ordered to accept units which were not within their preferred districts, and that the Administration should try its best to meet their needs. He then sought clarification on the number of units available for allocation in the Hong Kong and New Territories East Districts which, according to the Administration, were 100 and 57 respectively but were 23 and 8 respectively according to affected staff. PS for S advised that the figures provided by the Administration were more accurate as they reflected the actual situation. Units in some DQ sites on Hong Kong Island had not been included in the residents' associations' counting of the number of units available for allocation.

10. Miss CHAN Yuen-han said that at case conference referred to, SB had been requested to directly consult the eight residents' association on the proposed reprovisioning arrangements. She expressed regret that instead of having direct dialogue with the residents' associations, SB had relied on JPOA to carry out the consultation. This was unfair to JPOA as it was placed in an awkward situation. As disciplined forces were required to follow orders, it might not be appropriate for the reprovisioning exercise to be handled directly by the seniors of the staff concerned so as to avoid unnecessary impact on staff morale. She urged that SB should meet with the residents' associations direct, and if needed DRMs could be invited to these meetings. Miss CHAN stressed that the basic question was how to address the needs of staff who wished to be relocated within the same district.

11. PS for S recalled that at the case conference on 19 July 2004, the Administration had no objection to meeting with the staff/residents' associations as requested by DRMs. However, in view of the short lead time between the case conference and the current FC meeting, the Convenor of the case conference, in concluding, did not insist that a meeting should be held during the interim. Nevertheless, SB agreed to meet with the residents' associations to exchange views on the details of the reprovisioning.

12. Mr LEE Cheuk-yan said that he would support the proposal in principle as the proposed reprovisioning would create a win-win situation to improve the living conditions of staff concerned and to alleviate the financial hardship of the Housing Authority (HA). However, the proposal should not cause inconvenience to those staff who wished to remain in the same district. Given the limited availability of units in Shatin and Hong Kong districts, consideration could be given to making available more public rental housing (PRH) units to staff who would be retiring in 10 years' time. This would provide more chances of allocation for the affected staff who wished to be relocated within the same district. PS for S advised that as on average some 20 odd units in the New Territories East region were put up for re-allocation every two and a half months according to past trends, there was a good chance that the 248 affected households of the Shatin District Police Quarters could be relocated within the same district or nearby areas within the next two years. He added that under the proposal, 4 304 HOS flats would be purchased to reprovision about 4 300 units in the 15 affected DQ sites. However, only 3 000 households would be affected since some 1 300 units of the 4 300 DQ units were vacant. The

remaining 1 300 HOS flats would be made available for staff now residing in DQs other than the 15 affected sites. The Administration planned to open these 1 300 HOS flats simultaneously for application. This would free up existing DQ for re-allocation to other staff, including those from the 15 DQ sites who did not wish to move to the HOS units. Given these additional DQ units that might become available, there was a good chance that the affected staff could be allocated a unit of their choice before June 2006.

13. Ms Emily LAU opined that the present situation should not have arisen had there been prior and proper consultation with the staff. She questioned if the Administration was aware of the size of the problem viz. the number of households which were not willing to accept reprovisioning to the new HOS units. PS for S said that it was difficult to say conclusively how many would or would not accept reprovisioning. There were many factors which might affect the staff's decision, such as proximity to workplace and/or choice of schools. Depending on how the question was put, it was inevitable that staff would wish to retain maximum flexibility. While some households were keen to be relocated and some did not want to be relocated, most of the affected households would be very cautious about their decisions and would tend to keep all options open. As to whether the Administration was confident that the problem could be resolved within two years' time, PS for S advised that there were established channels for staff consultation and judging from the latest response from DSCC and JPOA, the Administration was confident that a win-win situation could be achieved for the proposed reprovisioning.

14. Ms Emily LAU said that while she would support the proposal, she hoped that the Administration would endeavour to ascertain the number of affected households who were not willing to be reprovisioned. It should also provide the needed assistance to facilitate affected households in the reprovisioning. As the current legislative term would be over soon, she requested that the LegCo Secretariat should monitor the progress of reprovisioning for further follow up by FC in the new legislative term. Meanwhile, affected households which did not wish to be reprovisioned to the HOS flats were welcomed to submit their cases to the LegCo Secretariat direct. PS for S advised that similar problems were encountered in each and every reprovisioning exercise, including the one which involved the relocation of some 2 000 households from a number of Police DQs in various districts to Shun Lee Disciplined Services DQs a few years ago. Same as in the past, the Administration would assist the affected households in their reprovisioning. Nevertheless, the Administration would provide a progress report to LegCo in six months' time.

15. Dr David CHU expressed disappointment at the Administration's lack of knowledge about the size of the problem. He requested that the half-yearly reports to be prepared by the Administration should include more information about the number of affected households which did not wish to be reprovisioned to the HOS units in Yau Tong and Kwai Chung. He hoped that the Administration would not discriminate against those who had objected to the proposed reprovisioning. PS for S said that as agreed at the case conference, the Administration would provide half-yearly reports on

the reprovisioning exercise. As the relocation of affected households would require time, the first report might not be able to provide full details on the relocation of households who wished to be relocated to quarters other than the HOS units. Nevertheless, more information could be made available in subsequent reports.

16. Mr Albert CHAN opined that half-yearly reports would not serve any useful purpose since the Administration would use administrative measures to evict all the affected households upon the expiry of the decantation period. He was disappointed that the Administration had sacrificed the interest of the minority, which in his view had reflected maladministration on the part of the Administration. It was a pity that a lack of consultation had ruined a well intended proposal which aimed to improve the living conditions of affected households. He was concerned that once funding approval was given, the Administration would proceed with the reprovisioning regardless of the needs of those affected households for relocation within the same district. As the residents' associations had been objecting to the proposed reprovisioning, he urged the Administration to withdraw the proposal and re-submit it in the new legislative term. PS for S said that as the Administration had fully explained the need for the proposed reprovisioning, which had had the support of the majority of the affected staff, it was not prepared to withdraw the proposal. Mr CHAN said that he would abstain from voting on the proposal.

17. As regards the provision of PRH units for the affected staff approaching their retirement age, PS for S said that this had in fact been raised by JPOA as a possible option. However, as there were established guidelines on the allocation of PRH units, the suggestion was being studied by the relevant authorities and the staff would be apprised of the outcome in due course. Mr LEE Cheuk-yan requested that some form of undertaking should be provided by HA such that where situation warranted, priority would be given to rehousing those affected staff approaching their retirement age to PRH units within the same district. In addition, more PRH units in the vicinity of the affected DQs should be made available. PS for S explained that as the policy on allocation of PRH units to retiring civil servants applied to civilian and disciplined staff alike, any priority given to the affected disciplined staff who were already entitled to DQs would create unfairness. Consideration could however be given to streamlining the selection process for the affected staff. The Deputy Director of Housing (Strategy) supplemented that the Housing Department was prepared to review the allocation process with SB and relevant authorities.

18. Ms LI Fung-ying said that it would be difficult for her to make a decision on the proposal given that the interest of some would have to be sacrificed for the sake of others. She hoped that the Administration would honour its undertaking made at the case conference on 19 July 2004. With the target decantation being set at June 2006 during which school examinations were held, it might not be convenient for families with schooling children to move at that time. There was hence a need to take into account the individual needs of affected households in the reprovisioning process in order to ease the inconvenience arising from relocation. The Administration should learn from this experience and review the consultation mechanism such that views of

the affected parties would be taken into consideration. Sharing similar views, Mr Howard YOUNG concurred to the need to respect the views of affected households, particularly on matters such as relocation which affected the entire family.

19. Mr Abraham SHEK said that Members were not opposed to the proposal of purchasing surplus HOS flats for reprovisioning DQs but were merely concerned about the reprovisioning arrangements which were in fact not a part of the proposal. It was not possible to satisfy the needs of each and every affected household in a decantation exercise. As compared to the clearerees of urban redevelopment, the affected households under the present exercise were much better off as they had been very well taken care of. Given that the proposal had been deliberated at length and the Administration had agreed to try its best to assist the affected households in the reprovisioning, he would support the funding proposal.

20. Mr LEE Cheuk-yan queried the need for reprovisioning the Tuen Mun DQs (TMDQs) which was built in 1989 and was relatively new. He considered it a waste of resources if the 15-year old development was to be demolished. The Director of Architectural Services advised that TMDQs, although the newest among the 15 DQs to be reprovisioned, was outdated in its design and substandard in its facilities as compared to existing DQs built in the 1990s. It was also under-provisioned for use as DQs. Mr LEE pointed out that as the 160 units of TMDQs would provide more choices for the affected staff, particularly those who were willing to accept the substandard conditions. He therefore requested the Administration to reconsider the need for reprovisioning TMDQs. The Deputy Government Property Administrator said that as TMDQs was a Chinese tenement building, it would not be easy to change the structural design to meet the present day requirements of DQs. As such, there was no point in keeping the development.

21. On the availability of Police DQs for allocation to staff over the past years as set out in the Administration's letter tabled at the meeting, PS for S advised that the figures reflected the number of units available for allocation to the Police in each year. Where a vacant unit failed to meet with any successful applications from Police staff in two consecutive allocation exercises, it would have to be returned to the GPA for re-allocation to other disciplined services.

22. The Chairman put the item to vote. The Committee approved the proposal.

23. As this was the last FC meeting within the session, the Chairman thanked the Administration and the LegCo Secretariat for their efforts in the past year.

24. The meeting was adjourned at 3:45 pm.