

Speaking Note for SHPL
Special Finance Committee Meeting on 31 March 2004

Chairman,

Our work in Buildings, Lands and Planning in the coming year will continue to focus on four priority tasks : i.e. providing land to meet market demand; undertaking long-term strategic planning for Hong Kong; enhancing building safety and promoting timely maintenance; and urban renewal.

Land Supply

2. The Government announced the Housing Policy Statement in November 2002. We emphasized that we would pursue our objectives of providing sufficient land to meet the development needs of our community and to facilitate the healthy and stable development of our property market. In line with these objectives, the Government has resumed the Application List system since January 2004. Under the Application List system, the sale of new land is market driven and to be triggered by developers. We will continue to monitor closely the situation, and ensure the smooth operation of the Application List system.

Planning for Hong Kong

3. On the planning front, we introduced the Town Planning (Amendment) Bill into the Legislative Council (LegCo) in May 2003. The objectives of the Bill are to streamline the town planning process,

enhance the transparency of the planning system, and strengthen enforcement actions against unauthorized developments in the rural New Territories. We will work with the Bills Committee closely with a view to putting the amendments into effect as soon as practicable.

4. Another major task is the on-going “Hong Kong 2030” long-term planning study. The Study has proceeded to Stage 3 - Public Consultation which will be completed by the end of this month. We shall formulate a development strategy based on public views received. This strategy will provide a long-term planning framework for the future development of Hong Kong.

Building Safety and Maintenance

5. Our vision is to develop a safe and healthy built environment and an attractive cityscape commensurate with a dynamic world-class city. We aim to achieve this through quality construction, timely maintenance, removal of illegal structures, public education and community participation in a culture of good building care.

6. In 2003, we achieved a record of removing 50 000 unauthorized building works, and provided \$78 million loans to building owners for repairs and improvements to their buildings. We will sustain our efforts in the coming year. This is reflected in a considerable increase in resources for Buildings Department in 2004-05 despite the overall fiscal stringency. In April 2003, we introduced the Buildings (Amendment) Bill 2003 into

LegCo. The Bill seeks to introduce, among other things, a streamlined and more effective building control regime through the creation of a minor works control system. The Bill is currently being scrutinized by the Bills Committee.

7. Proper building management and maintenance is an integral part of the overall solution to arresting urban decay. In December last year, we launched a public consultation exercise on the policy direction to promote building management and maintenance. The views received so far point to a community consensus on the urgency in addressing the building neglect problem, and a widely-shared preference for introducing mandatory requirement on owners to ensure proper building maintenance and management. The consultation period will end on 15 April. We will carefully consider the public views in working out the implementation details.

Urban Renewal

8. Taking a holistic approach to urban renewal, the Urban Renewal Authority has launched 13 redevelopment projects and five revitalization projects, and started a rehabilitation programme to rejuvenate the older urban areas. Accelerating urban renewal, enhancing our urban landscape and improving environmental hygiene are highly important for long term sustainable development. In this regard, we will consider various options and put forward proposals for public discussion.

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 2004-05 will be \$10,223 million, representing 3.6% of the total public expenditure. Compared with 2003-04, the allocation from my Operating Expenditure Envelope to the policy areas of Building, Lands and Planning in 2004-05 has been reduced by \$153 million from \$3,230 million to \$3,077 million, i.e. a decrease of 4.7%. Total civil service establishment under this policy area will drop from some 6 100 to 5 700, i.e. a decrease of 7%.

10. Our group of departments have adopted various measures including re-organisation, re-engineering and outsourcing to enhance efficiency. For example, in conjunction with the Environment, Transport and Works Bureau, the merger of Territory Development Department and Civil Engineering Department will take place shortly. This will bring about synergy and provide opportunities for immediate and longer term savings. Moreover, Lands Department has completed two studies on its Land Administration Office and Survey and Mapping Office and recommendations for efficiency improvement contained therein will be implemented. Furthermore, Buildings Department will continue to outsource its work in support of its statutory functions.

11. At the Bureau level, we will be leading and co-ordinating initiatives and productivity efforts across our departments in order to

enhance the value of our services to the community. We have reviewed the procedures for processing development proposals received by the Lands, Planning and Buildings Departments and have introduced improvement measures. In the coming year, we shall examine ways to centralize the inspection and enforcement functions of these departments, with a view to further enhancing service delivery. We will continue to explore opportunities for re-engineering on various fronts to meet the challenges ahead.

12. My colleagues and I will be happy to answer any questions that Members may wish to raise.