Replies to supplementary questions raised by Finance Committee Members in examining the Estimates of Expenditure 2008-09

Reply	Question	Name of Member	Head	Programme
Serial No.	Serial No.			
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S-THB(H)02	S071	WONG Kwok-hing	62	
S-THB(H)03	SV014	CHAN Wai-yip, Albert	62	
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S-THB(H)05	SV019	LAU Wai-hing, Emily	62	
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<u>S-THB(H)08</u>	SV022	FUNG Kin-kee, Frederick	62	(4) Rehousing of
				Occupants upon
				Clearance
<u>S-THB(H)09</u>	SV023	CHEUNG Chiu-hung,	62	
		Fernando		

Director of Bureau : Secretary for Transport and Housing Session No. : 13

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

Head: 62 Housing Department Subhead (No. & title):

Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

Despite the rates concession proposed by the Financial Secretary in his Budget Speech, both the Housing Authority (HA) and the Housing Society (HS) did not arrange the refund of the rates by adjusting the rent of their carparks in the last financial year. Neither of them intends to do so in the coming year. Besides, HS has increased rents substantially from 1 April this year. Would the Administration conduct a comprehensive review on this and answer the following questions:

- 1. What was the total amount of rates not refunded to tenants by HA and HS last year? Please give the breakdown by estate, number of tenants and amount of rates.
- 2. What will be the total amount of rates not to be refunded to tenants by HA and HS in the coming year? Please give the breakdown by estate, number of tenants and amount of rates.
- 3. If the rates of the above years, which should be refunded, are not going to be returned to tenants, will the relevant amount be credited to the respective accounts of HA and HS? If so, what is the basis for such an arrangement? In what ways have the tenants been benefited?

Asked by: Hon. WONG Kwok-hing

Reply:

1. The amount of rates waived by the Government for the carparks of the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HS) for 2007-08 were as follows –

Amount of Rates Concession	Amount of Rates Concession		
for HA's 26 650 Carparking Spaces	for HS's 3 615 Carparking Spaces		
Approximately \$1.54M for three quarters in 2007-08, equivalent to \$6.4 per space per month.			

2. The rates waived by the Government for the carparks of the HA and the HS for 2008-09 will be as follows –

Amount of Rates Concession	Amount of Rates Concession		
for HA's 26 100 Carparking Spaces	for HS's 3 615 Carparking Spaces		
Approximately \$2M for the whole year in 2008-09, equivalent to \$6.4 per space per month.	Approximately \$0.41M for the whole year in 2008-09, equivalent to \$9.5 per space per month.		

Reply Serial No.

S-THB(H)01

3. Carpark users pay carparking fees to the HA and HS without the need to pay rates separately. The HA and HS have no obligation to pass the Government's rates concession to users. We understand that the HA and HS have practical difficulties with passing on the rates concession to individual users as a number of the carparking spaces are let on an hourly parking basis. Besides, each carparking space would attract only a small amount of rates concession (\$6.4 per HA carparking space and \$9.5 per HS carparking space per month); whereas the HA and HS would need to incur significant administrative costs for passing on the rates concession.

Signature	
Name in block letters	Thomas C Y CHAN
Post Title	Permanent Secretary for Transport and Housing (Housing)
Date	14 April 2008

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

<u>Head</u>: 62 Housing Department <u>Subhead</u> (No. & title):

Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

The Financial Secretary proposed in his Budget Speech that, as a means to return wealth to the people, a onemonth rent exemption be granted to public rental housing (PRH) tenants. However, I have the following questions:

- 1. Is this measure favouritism at the expense of the so-called well-off tenants of PRH estates of the Housing Authority as they cannot enjoy the one-month rent exemption? Will the Administration review this arrangement? and
- 2. Please explain why the tenants of the housing estates of the Housing Society cannot enjoy the same rent exemption. Will the Administration consider extending the one-month rent exemption for the elderly tenants of the Housing Society to all the tenants of the Housing Society? If no, is this a case of discrimination?

Asked by: Hon. WONG Kwok-hing

Reply:

The Financial Secretary proposed in his Budget Speech that in order to ease the burden of low income families, the Government would pay one month's rent for the lower income families living in the rental units of the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HS). The household incomes of the tenants who are required to pay extra rents to the HA exceed two times of the Waiting List Income Limits, whereas the Group B estates of the HS, which are aimed at higher-income families, have income limits higher than the HA Waiting List Income Limits. Hence, the proposal will not apply to these tenants. Nevertheless, the proposal will apply to the tenants living in the Elderly Persons' Flats in the Group B estates of the HS, the Government will seriously consider if the proposal may apply to them.

Separately, both the HA and the HS have agreed to pass on the Government's rates concessions to their tenants in the form of a corresponding reduction in the monthly rents. The HA tenants paying extra rents and the tenants of the Group B estates of the HS will also benefit from this arrangement.

SignatureName in block lettersThomas C Y CHANPost TitlePermanent Secretary for
Transport and Housing (Housing)Date14 April 2008

S-THB(H)02

Reply Serial No.

Question Serial No. S071

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

Head: 62 Housing Department Subhead (No. & title):

Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

To provide a paper to explain how the forecast production of public rental housing (PRH) of about 76 000 flats from 2007-08 to 2011-12 can be ensured to meet the demand in order to maintain the average waiting time for PRH at around three years.

Asked by: Hon. CHAN Wai-yip, Albert

Reply:

As at March 2008, there were about 110 000 PRH applicants on the Waiting List for PRH, with an increase of an average of 2 000 to 3 000 new applications every month. Under the Hong Kong Housing Authority (HA)'s current five-year Public Housing Construction Programme, the forecast production of new PRH from 2007-08 to 2011-12 is about 76 000 flats, i.e. around 15 000 flats per year on average. As most of the projects within this period are either at the construction stage or an advanced detailed design stage, the flat production volume in the coming five years would not be subject to major variation. The HA estimates that this level of production, together with the about 16 000 PRH flats¹ estimated to be recovered from the existing stock every year, would be sufficient for it to meet the pledge of maintaining the average waiting time at around three years².

Signature	
Name in block letters	Thomas C Y CHAN
Post Title	Permanent Secretary for Transport and Housing (Housing)
Date	14 April 2008

Reply Serial No.

S-THB(H)03

Question	Serial	No.

¹ In the past five years, about 16 000 flats were recovered each year.

² The average waiting time pledge does not apply to non-elderly one-person PRH applicants on the Waiting List.

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

Head: 62 Housing Department Subhead (No. & title):

<u>Programme</u>: (2) Private Housing

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

To provide a breakdown by year of the number of inspections of the sale sites of first-hand residential properties arranged from 2004-05 to 2006-07 to monitor developers' compliance with the relevant guidelines of the Real Estate Developers Association of Hong Kong.

Asked by: Hon. SIN Chung-kai

Reply:

We arrange surprise visits to the sale sites of first-hand residential properties on a random basis to check whether developers' sales arrangements at sale sites follow the guidelines of the Real Estate Developers Association of Hong Kong. The number of visits depends on the number of properties put up for sale and the number of complaints received at the time. As the visits are surprise visits, the details would not be disclosed. However, visits would be arranged for all known first-hand residential properties with market attention.

Signature	
Name in block letters	Thomas C Y CHAN
Post Title	Permanent Secretary for Transport and Housing (Housing)
Date	10 April 2008

Question Serial No. SV018

Reply Serial No.

S-THB(H)04

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

<u>Head</u>: 62 Housing Department <u>Subhead</u> (No. & title):

Programme:

<u>Controlling Officer</u>: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

To provide the number of self-contained one- or two-person public rental housing (PRH) flats that would be produced in the coming three years.

Asked by: Hon. LAU Wai-hing, Emily

Reply:

In the coming three years (i.e. 2008-09 to 2010-11), the number of self-contained one/two-person PRH flats planned to be produced by the Hong Kong Housing Authority are 5 258, 3 655 and 2 969 respectively.

Signature

Name in block letters

Thomas C Y CHAN

Permanent Secretary for Post Title Transport and Housing (Housing)

Date

10 April 2008

Question Serial No.

SV019

Reply Serial No.
S-THB(H)05

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

Head: 62 Housing Department Subhead (No. & title):

Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

To provide the implementation timetable of the Housing Authority (HA)'s programme to install lifts in public rental housing (PRH) blocks currently without lift services.

Asked by: Hon. LEE Kok-long, Joseph

Reply:

At present, 32 blocks in 11 aged PRH estates are not provided with lifts. They are Tai Hing, Choi Hung, Wo Lok, Fuk Loi, Ping Shek, Shun On, Pak Tin, Kwai Shing West, Lei Muk Shue (II), Lek Yuen and Shui Pin Wai Estates.

The installation of two additional lifts in Tai Hing Estate will be completed within this year. The lifts will be in operation in mid and late 2008 respectively.

The Housing Department (HD) has completed comprehensive structural investigation in Choi Hung, Wo Lok and Fuk Loi Estates, and has proposed addition of lifts in blocks without lift services under the Estate Improvement Programmes. The HD is consulting the residents on the programmes. The works will commence soon after the consultation.

The HD is conducting technical feasibility studies for the addition of lifts in the other seven estates. Upon confirmation of their feasibility, the HD will proceed with the design, tendering and construction works.

Signature

Name in block letters Thomas C Y CHAN

Permanent Secretary for Post Title Transport and Housing (Housing)

Date 10 April 2008

S-THB(H)06

Reply Serial No.

Question Serial No.

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

<u>Head</u>: 62 Housing Department <u>Subhead</u> (No. & title):

Programme:

<u>Controlling Officer</u>: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

To provide a breakdown by age of the Waiting List applicants below the age of 30, with details on their background, such as their education levels, occupations, etc.

Asked by: Hon. LEUNG Yiu-chung and Hon. FUNG Kin-kee, Frederick

Reply:

As at end February 2008, there were about 111 300 applicants on the waiting list (WL) for public rental housing (PRH). Among them, 38 300 (34.4%) were non-elderly one-person applicants, with 14 402 (37.6%) below the age of 30. Out of the 14 402, about 3 900 (27.1%) already lived in PRH. A breakdown by age of those below the age of 30 is as follows:

Age	Number of one-person WL applicants	
18	86	
19	542	
20	898	
21	1 398	
22	1 616	
23	1 693	
24	1 706	
25	1 662	
26	1 453	
27	1 276	
28	1 097	
29	975	
Total	14 402	

According to the findings of the 2007 Survey on WL Applicants for PRH, the respective percentage of different education levels of one-person WL applicants below the age of 30 is as follows:

Proportion*
0.3%
68.5%
31.1%

* Figures do not add up to 100% due to rounding

Reply Serial No.

S-THB(H)07

Question Serial No.

The findings of the 2007 survey also indicate that among those one-person applicants newly registered in 2007 with post-secondary/tertiary level education, 68.4% were below the age of 25.

We do not have information on the occupation of WL applicants.

Signature	
Name in block letters	Thomas C Y CHAN
Post Title	Permanent Secretary for Transport and Housing (Housing)
Date	14 April 2008

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

Head: 62 Housing Department Subhead (No. & title):

(4) Rehousing of Occupants upon Clearance Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

To arrange a site visit to a Transit Centre operated by HA.

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

We are making arrangement for the Hon. FUNG Kin-kee, Frederick to visit the Transit Centre in Po Tin Estate, Tuen Mun.

Question Serial No. SV022

Signature	
Name in block letters	Thomas C Y CHAN
Post Title	Permanent Secretary for Transport and Housing (Housing)
Date	10 April 2008

Reply Serial No. **S-THB(H)08**

CONTROLLING OFFICER'S REPLY TO SUPPLEMENTARY QUESTION

Head: 62 Housing Department Subhead (No. & title):

Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

To provide a breakdown by year and by flat size of the new public rental housing (PRH) flats to be produced under the Public Housing Construction Programme for 2007-08 to 2011-12.

Asked by: Hon. CHEUNG Chiu-hung, Fernando

Reply:

A breakdown of the number of new PRH flats to be produced under the Public Housing Construction Programme from 2007-08 to 2011-12 by internal floor area is as follows :

Year	1 to 2 Person Flats (14.0 m ² -18.0 m ²)	2 to 3 Person Flats (22.0 m ²)	1 Bedroom Flats (31.0 m ²)	2 Bedroom Flats (40.0 m ²)	3 Bedroom Flats (48.8 m ²)	Total
2007-08	2 542	2 944	4 808	3 432	-	13 726
2008-09	5 258	4 595	6 532	4 147	116	20 648
2009-10	3 655	3 830	5 048	2 536	-	15 069
2010-11	2 969	5 972	3 848	1 605	-	14 394
2011-12	2 885	3 670	4 774	1 415	-	12 744

Signature

Name in block letters

Thomas C Y CHAN

Permanent Secretary for Post Title Transport and Housing (Housing)

Date

10 April 2008

Reply Serial No. S-THB(H)09

Question Serial No.