立法會 Legislative Council

LC Paper No. CB(1)2294/07-08 (These minutes have been seen by the Administration)

Ref: CB1/PL/HG/1

Panel on Housing

Minutes of special meeting held on Monday, 10 March 2008, at 2:30 pm in the Chamber of the Legislative Council Building

Members present: Hon LEE Wing-tat (Chairman)

Hon WONG Kwok-hing, MH (Deputy Chairman)

Hon Fred LI Wah-ming, JP

Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP

Hon James TO Kun-sun Hon LEUNG Yiu-chung Dr Hon YEUNG Sum, JP

Hon LEUNG Kwok-hung

Hon Abraham SHEK Lai-him, SBS, JP Hon Tommy CHEUNG Yu-yan, SBS, JP Hon Frederick FUNG Kin-kee, SBS, JP Dr Hon Joseph LEE Kok-long, JP Hon Alan LEONG Kah-kit, SC

Prof Hon Patrick LAU Sau-shing, SBS, JP

Member attending: Dr Hon Fernando CHEUNG Chiu-hung

Members absent: Hon CHAN Yuen-han, SBS, JP

Hon CHAN Kam-lam, SBS, JP Hon LI Kwok-ying, MH, JP

Public officers attending

Agenda Item I

Miss Mary CHOW Shuk-ching, JP

Deputy Secretary for Transport and Housing (Housing)

Miss Louisa YAN Mei-ling Acting Assistant Director (Strategic Planning) Housing Department

Mrs Alice LO CHAN May-yee Acting Assistant Director (Housing Subsidies) Housing Department

Attendance by invitation

: Agenda Item I

Society for Community Organization

Mr NG Wai-tung Community Organizer

Ms SZE Lai-shan Community Organizer

Mr Sonny YAU Community Organizer

Mr NG Yin-nam Resident representative

Low Income Families Concern Group

Ms TSE King-ling Representative

Ms NG Chi-lin Representative

Grassroot Housing Concern Group

Mr CHOW Kam-chuen Representative

Ms LI Ping-kau Representative

Homeless Concern Group

Mr KONG Ping-yiu Representative

Mr DING Wu-cheung Representative

Hong Kong Owners Club

Mr SHEA Hing-wan Chairman

Ms WONG Lai-lai Secretary

Landlord Concern Group

Mr Vincent HO Representative

Ms Monica LAI Representative

Clerk in attendance: Ms Connie SZETO

Chief Council Secretary (1)6

Staff in attendance : Ms Sarah YUEN

Senior Council Secretary (1)6

Ms Michelle NIEN

Legislative Assistant (1)9

Action

I Assistance to low-income persons in meeting their housing needs

(LC Paper No. CB(1)971/07-08(02) -- Administration's paper on assistance to low-income persons in meeting their housing needs

LC Paper No. CB(1)862/07-08(01) -- Hon James TO's letter on

assistance to low-income persons in meeting their housing needs

dated 19 February 2008

LC Paper No. CB(1)862/07-08(02) -- Referral from the Complaints

Division on matters related to assistance to low-income persons in meeting their housing needs)

Meeting with deputations

<u>The Chairman</u> welcomed the representatives from deputations attending the meeting, and invited them to express views on the assistance to low-income people in meeting their housing needs.

Society for Community Organization (LC Paper No. CB(1)971/07-08(01)

- 2. <u>Ms SZE Lai-shan</u> and <u>Mr NG Wai-tung</u>, <u>Community Organizers of Society for Community Organization (SOCO)</u>, briefed members on SOCO's submission by highlighting the following points:
 - (a) Many low-income people were facing difficulty in securing allocation of public rental housing (PRH). According to the statistics of the Census and Statistics Department, about 100 000 people were living in bedspace and cubicle apartments the living conditions of which were highly undesirable. The incomes of these people had not seen any increase during the past ten years despite improvement in the economy. Although the number of people with monthly income below \$5,000 had risen from 200 000 ten years before to more than 400 000 at present, decrease in the production of PRH and the many restrictions imposed on PRH applicants, such as the quota and points system (QPS) for Waiting List (WL) non-elderly one-person applicants and the seven-year residence rule (RR), had increased the difficulty for low-income people to apply for PRH. As a result, many PRH applicants had to wait more than three years before they could be allocated PRH flats:
 - (b) The rent allowance under Comprehensive Social Security Assistance (CSSA) was insufficient. CSSA payments and the rent allowance under CSSA had been reduced in 1999 and 2003 respectively and had not been increased despite significant rises in inflation as well as rentals recently. 65% of CSSA households spent 35% of their CSSA payments on housing and related items. In many cases, the rent allowance under CSSA could not cover the housing expenses and the households had to make up for the shortfall with part of their CSSA payments, thus adversely affecting their daily lives. As most of these households were too poor to pay tax, they would not benefit from tax and other concessions announced in the 2008-2009 Budget, not even the electricity subsidy grant because the electricity meters for tenants of bedspace and cubicle apartments were usually registered in the landlords' names;
 - (c) Tenants of cubicle and bedspace apartments had encountered great difficulty in bargaining for lower rents because, as a result of urban renewal, cubicle and bedspace apartments were in short supply. Moreover, after the removal of rent control and security of tenure in 1998 and 2004 respectively, landlords could increase rents or repossess their premises at very short notice without any restrictions. Tenants had no alternative but to accept the high rents; and

(d) The Bedspace Apartments Ordinance (BAO) (Cap. 447) enacted in 1994 only regulated bedspace apartments with twelve or more bedspaces. The living conditions of many non-licensed bedspace apartments were very poor and the tenants were living under unsafe and crowded conditions. The findings of the study conducted by SOCO on bedspace and cubicle apartments (SOCO's Study) had revealed that some 20% of tenants of these apartments were living in unregulated or even illegal premises, including non-licensed bedspace apartments, illegal rooftop structures, and factory buildings.

Low Income Families Concern Group

- 3. Ms TSE King-ling, representative of the Low Income Families Concern Group (LIF Concern Group), said that although her family was suffering from decreased income, it was forced to accept huge rent increase because of the removal of rent control and security of tenure. Since security of tenure was very important to poor people, she urged the Government to look after the housing needs of low-income families by re-instating rent control to relieve their rent burden. She further pointed out that because the electricity meters of cubicle apartments were mostly registered under the landlords' names, tenants of such premises would not be able to benefit from the electricity subsidy grant.
- 4. <u>Ms NG Chi-lin, representative of LIF Concern Group</u>, also highlighted the plight of her family, which was suffering from an unstable low income but had to cope with a 20% increase in rent.

Grassroot Housing Concern Group

- 5. Mr CHOW Kam-chuen, representative of the Grassroot Housing Concern Group (GH Concern Group), highlighted the hardship he suffered having to move to a bedspace because he could not afford a double-digit increase in rent for his premises. Moreover, due to the removal of rent control and security of tenure, he was asked to vacate the premises within seven days. He pointed out the poor living conditions of the bedspace apartment in which he presently stayed, such as poor ventilation, over-crowdedness, shortage of essential basic facilities, poor sanitation, etc., and called upon the Government to note the plight of poor people.
- 6. <u>Ms LI Ping-kau, representative of GH Concern Group</u>, highlighted the significant increase in the rent of the premises she was presently staying, and urged the Panel to help low-income households to cope with the pressure arising from the rent hike.

Homeless Concern Group

7. Mr KONG Ping-yiu, representative of Homeless Concern Group (HCG), said that he had become unemployed since the economic downturn in 1997 and was subsequently rendered homeless and had no choice but to apply for CSSA. With

the assistance of SOCO, he finally managed to rent a small cubicle apartment. Although the apartment was only 40 square feet, the monthly rent was as high as \$1,400. The rent allowance under CSSA was inadequate to cover the rent, and he had to reduce his other expenses to make ends meet. He hoped that the Government could increase CSSA payments, particularly the rent allowance, to the levels before 2003.

8. Mr DING Wu-cheung, representative of HCG, said that he had rented a cubicle apartment at \$1,500, which the rent allowance under CSSA could not cover. He urged the Government to increase the rent allowance under CSSA and re-instate rent control. He hoped that the Government could assist low-income people in paying related expenses for renting private accommodation, such as utility deposits and commissions for estate agents.

Hong Kong Owners Club

9. Mr SHEA Hing-wan, Chairman of Hong Kong Owners Club (HKOC), pointed out that rentals of private residential properties should be determined by market forces. He said that while there were mean landlords, some tenants were also very unreasonable. Landlords and tenants might face many difficulties alike. At times, owners were unfairly required to bear many legal responsibilities. The removal of rent control and security of tenure could facilitate repossession of properties for carrying out maintenance works. He opined that landlords should not be unfairly required to assist low-income people in meeting their housing needs, which should be the responsibility of the Housing Department and the Social Welfare Department (SWD). Many landlords derived incomes from the rentals of their properties. Landlords should not be singled out for control and restricted from adjusting rents in tandem with inflation. While property developers made huge profits, small property owners had to pay tax but could not benefit from any social services.

Landlord Concern Group

10. Mr Vincent HO, representative of Landlord Concern Group (LCG), opined that the Government should meet the housing needs of low-income people by increasing the production of PRH flats or CSSA payments. He pointed out that LCG was strongly opposed to re-instating security of tenure. Landlords should have the right to select their tenants in order to protect their interests. Repossession of a property would take at least four months under normal statutory procedures, which was unduly long and not conducive to ensuring rent payment for Removal of security of tenure was necessary to help landlords repossess their properties from tenants who refused to pay rents without having to go through a painful process. Moreover, landlords were under pressure to increase rents due to rising inflation and various housing related costs, such as rates, slope maintenance fees, charges for fire prevention and fire fighting installations. It would be unreasonable for landlords to subsidize tenants through restricting rent increases, especially as many retirees lived on the rental incomes from their properties.

11. <u>Ms Monica LAI, representative of LCG</u>, added that tenants who did not pay rents were normally required to pay only about \$2,000 for legal proceedings upon being found guilty by the Lands Tribunal. The tenant concerned could continue to stay in the flat after paying the arrears of rents. Landlords therefore faced great difficulty in getting rid of such tenants. She further explained that because of the many malpractices of tenants, there was a need to require payment of rent deposit to safeguard landlords' interests.

Presentation by the Administration

- 12. At the Chairman's invitation, the Deputy Secretary for Transport and Housing (Housing) (DSH), briefed members on the Administration's paper and responded to deputations' views above. She emphasized that the Government's housing policy was to provide PRH to low-income people who could not afford private rental accommodation. The eligibility of PRH applicants was determined by way of the WL income and asset limits, which measured the total household income required to rent a private accommodation comparable to PRH while meeting other non-housing expenditure. The limits were assessed annually to keep abreast with the prevailing socio-economic circumstances. The Panel was briefed at its meeting on 3 March 2008 on the findings of the review of the limits for 2008-2009, which proposed that the income limit of one-person households be increased from \$6,800 to \$7,300. If endorsed by the Housing Authority (HA)'s Subsidised Housing Committee, the new limits would be effective on 1 April 2008. DSH added that since PRH was scarce public resources, HA had to ensure its rational allocation through a host of measures. She then elaborated the background and need for the five key measures, namely, RR, the restriction on the choice of district, QPS, the Express Flat Allocation Scheme (EFAS) and Compassionate Rehousing (CR). She assured members that these measures would be reviewed and adjusted as necessary in the light of available resources.
- 13. As regards the concern about the removal of rent control and security of tenure, <u>DSH</u> explained that this was in line with the Government's housing policy of maintaining a fair and stable environment and had enabled the private residential rental market to resume free operation. Low-income people who could not afford private housing rents might apply for PRH through the WL. Those with genuine and pressing housing needs might apply to SWD for allocation of PRH flats under CR. Any members of the public with pressing housing needs due to financial hardship or various other reasons might also approach SWD/Integrated Family Service Centres of non-governmental organizations for assistance. Social workers would consider the resources available to the persons concerned and provide appropriate assistance in the light of the special circumstances of individual cases.

Discussion

Eligibility for public rental housing

- 14. Noting that many of the low-income people who gave views at the meeting were new arrivals to Hong Kong, <u>Mr WONG Kwok-hing</u> enquired whether there were specific measures to assist people living in cubicle and bedspace apartments even if they could not meet the RR.
- 15. <u>DSH</u> re-iterated that all households with income and asset below the prescribed WL income and asset limits were eligible for PRH and would be allocated PRH according to their order in the WL. At present, the average waiting time (AWT) of general WL applicants was about 1.9 years although the pledge was to maintain the AWT at around three years. Individuals or families with genuine and pressing housing needs and could not resolve the matter on their own due to individual problems might apply to SWD for early allocation of PRH flats under CR. She was not aware of any rejection of CR recommendation from SWD in the past year.
- 16. The Acting Assistant Director of Housing (Housing Subsidies) (AD of H(HS)) supplemented that over the years, HA had already reviewed and relaxed the RR on a number of occasions. For instance, to help single-parent families headed by a new immigrant, families would be allowed to apply for PRH if at least half of their family members had lived in Hong Kong for at least seven years, even if the applicant had not. Moreover, children under the age of 18 with Hong Kong birth status and confirmed as permanent residents would be deemed to have fulfilled RR, regardless of their length of residence in Hong Kong and their father's or mother's residence status. Family members under the age of 18 would also be considered as having fulfilled RR as long as one of their parents had lived in Hong Kong for at least seven years. Furthermore, families who had yet to meet RR could nonetheless apply for PRH and their applications would be withheld from processing until RR requirement could be fulfilled. The frozen period would be counted towards the waiting time of these applications.
- 17. <u>Dr Joseph LEE</u> was pleased to note that no CR recommendation from SWD had been rejected in the past year. He opined that the Administration should gear up publicity on the channel so that more low-income families could meet their housing needs. <u>DSH</u> explained that CR was only recommended for individuals or families with genuine and pressing housing needs and could not resolve the matter on their own due to individual problems. Financial difficulty alone might not suffice to qualify for CR. She re-iterated that low-income people who could not afford private rental accommodation could already apply for PRH through the WL. As at January 2008, there were already 110 000-plus applications on the WL.

The removal of rent control and security of tenure

18. In reply to the Chairman on the statutory notice period for termination of tenancy after the removal of security of tenure, <u>DSH</u> said that the length of the

notice period would depend on the terms and conditions of individual tenancy agreements.

- 19. Mr Alan LEONG highlighted that there had been a lot of complaints about the removal of rent control and security of tenure. As many LegCo Members had expressed concerns about the removal during the scrutiny of the relevant amendment bills, and given that the removal had taken effect since 1998 and 2004 respectively, it was high time for the Administration to conduct a review on the impacts. The Administration should examine the related issues, study why measures such as CR, EFAS and Interim Housing (IH) could not help mitigate the adverse impacts of the removal, and consider the need for improvement in policies and measures to tackle the current problems. The Chairman recalled that the Democratic Party had also expressed reservation about the removal of rent control and security of tenure during the scrutiny of the relevant amendment bills due to concerns about increases in private rentals.
- 20. <u>DSH</u> said that the Administration had been monitoring the developments in the private residential rental market since the removal of rent control and security of tenure. As observed by the Administration, the removal had enabled the private residential rental market to resume free operation and had reduced tenancy disputes. Increase in private rentals as a result of improvement in the economy should not be used to justify the re-instatement of rent control and security of tenure. Moreover, the WL income and asset limits were adjusted annually with reference to changes in private rentals. Individuals or families with pressing housing needs due to financial hardship or various other reasons might approach SWD/Integrated Family Service Centres of non-governmental organizations for assistance. However, at times, households concerned might refuse, for different reasons, to leave their present premises. Under such circumstances, assistance such as CR might not be helpful.
- 21. Mr Frederick FUNG said that he was opposed to the removal of rent control and security of tenure. He considered the Administration irresponsible in removing rent control and security of tenure without putting in place measures, such as rent allowance for low-income people, to mitigate the adverse impacts. Mr FUNG also pointed out that the increase in CSSA payments had failed to catch up with rent increases. He further questioned the effectiveness of CR in assisting low-income people to meet their housing needs, pointing out that applicants would not be allocated PRH under CR solely on grounds of financial difficulties. Due to insufficient supply of urban PRH sites, low-income PRH applicants were forced to move to remote new towns like Tin Shui Wai. The resultant uneven distribution of PRH among districts would in turn give rise to social and political problems. The over-concentration of CSSA recipients in certain PRH estates such as Fu Cheong Estate would result in undue pressure on the Government and give rise to He urged the Government to take into consideration the above problems in reviewing the housing policy.
- 22. In this regard, the Chairman said that issues relating to CSSA were outside the purview of the Panel. He opined that such issues should be followed up by the

Panel on Welfare Services. On the concern about assistance to low-income people, <u>DSH</u> said that HA introduced a pilot rent allowance scheme (RA Scheme) for the elderly in July 2001, which was terminated in September 2003 having regard to the unsatisfactory response and low effectiveness. She agreed to reflect Mr FUNG's views to HA for consideration. As regards the supply of PRH flats in future, <u>DSH</u> said that HA was actively liaising with the Government to ensure a sufficient supply of suitable public housing sites. She added that as the majority of new PRH flats to be completed in the next few years would be situated in the urban area, the distribution of PRH would become more even in future. Allocation of PRH was mainly conducted according to applicants' order in the WL and their preferences, and efforts would be made to cater to the applicants' choice of district.

- 23. The Chairman pointed out that response to RA Scheme was not satisfactory because the scope was restricted to the elderly and the rent allowance was provided to applicants in lieu of PRH allocation. In order to assist low-income persons in meeting their housing needs, he urged the Administration to consider re-introducing RA Scheme taking into account members' suggestions of extending the scheme to cover non-elderly people living in bedspace and cubicle apartments, lifting the requirement of beneficiaries to receive rent allowance in place of the allocation of PRH, and adjusting the rate of the allowance in keeping with the rise in private rentals.
- 24. <u>Dr Joseph LEE</u> enquired whether arrangement could be made to rehouse low-income people who were living in undesirable private accommodation but was not eligible for PRH in IH, in order to improve their living conditions. In reply, <u>AD of H(HS)</u> explained that IH mainly provided temporary accommodation to squatter clearees not meeting the eligibility criteria for PRH, unauthorized occupants of public housing estates and genuine homeless households from Transit Centres. There was no WL for IH units. Notwithstanding, special well deserving cases of families facing hardship but were not eligible for allocation of PRH flats under CR would be considered by SWD for recommending to HD for rehousing to IH. IH residents who met the eligibility might apply for PRH and would be rehoused to PRH when their WL applications were due for allocation.
- 25. Noting certain deputations' claim that the rent allowance under CSSA was insufficient to cover PRH rents in full, <u>Dr Joseph LEE</u> called on the Administration to make improvement. In reply, <u>DSH</u> explained that in most CSSA cases, PRH rents were fully covered by the Government at the time of allocation, and the rents payable by CSSA households were remitted to HA by SWD direct. But shortfall in rent payment could occur where private accommodation was rented.
- 26. While sharing the plight of the tenants of bedspace and cubicle apartments who suffered from sharp rent increases, Mr Tommy CHEUNG highlighted the concern expressed by small property owners about the re-instatement of rent control. He considered that in the long run, the housing needs of low-income people should be met by increasing the production of PRH flats and relaxing the WL income and asset limits. To facilitate low-income PRH tenants in seeking employment, he asked whether consideration would be given to increase the supply

of urban PRH flats, and redevelop vacant HA factory blocks in the urban area into PRH blocks.

27. DSH pointed out that the consistent strong demand for PRH flats in the urban area was putting a strain on the limited PRH resources in the urban area. Nevertheless, in preparing the Public Rental Housing Allocation Plan every year, HA would consider the feasibility of relaxing the restriction on applications for urban flats having regard to the resources available. For example, starting from May 2006, WL applicants registered on or before 30 September 2004 might switch their choice of district to the urban area (the cut-off date was formerly set at 30 June 2002). She reiterated that with the majority of forecast PRH production situated in the urban area in the following few years, there would be more urban area flats available for allocation than in the past, thus providing more room for HA to consider further relaxing the restriction. To enable members to have a better understanding of the supply of urban PRH flats in the coming years, DSH agreed to provide a breakdown by year of PRH flats that would come from the urban and extended urban areas, and details on the urban sites secured for production of PRH flats with information on the estimated flat number by site. As regards the suggestion of redeveloping HA factory blocks into PRH blocks, DSH assured members that HA had already been liaising closely with relevant bureaux and departments to identify suitable sites for public housing development in different parts of the territory.

Regulation of bedspace and cubicle apartments

- 28. Referring to SOCO's Study, <u>Dr Fernando CHEUNG</u> and <u>Mr LEUNG Kwok-hung</u> considered that Hong Kong, as a wealthy world city, should not tolerate the existence of cubicle and bedspace apartments and the rising number of residents living in such accommodation. They urged the Administration to formulate appropriate policies and map out relevant plans to phase out such accommodation. <u>DSH</u> pointed out that the Office of the Licensing Authority of the Home Affairs Department was responsible for the regulation of cubicle and bedspace apartments to ensure the fire and building safety and hygiene of these apartments in accordance with relevant legislation. In reviewing the relevant policies, it was necessary to take into consideration the great demand for such accommodation as cubicle and bedspace apartments were mostly located in the urban area.
- 29. <u>Dr Fernando CHEUNG</u> expressed concern that owners of many bedspace apartments deliberately operated fewer than 12 bedspaces in order to evade from the regulation of the BAO, which only required bedspace apartments providing twelve or more bedspaces as sleeping accommodation for individuals under rental agreement to obtain licences before commencing operation. He opined that the Administration should review the BAO to address the problems relating to cubicle and bedspace apartments. Sharing the concern, the Chairman pointed out that the United Nations Committee on Economic, Social and Cultural Rights had repeatedly urged the Hong Kong Government to tackle the problems related to bedspace apartments but little progress had been made by the Administration so far. In

response, <u>DSH</u> undertook to convey members' views to relevant departments and bureaux for consideration.

30. Mr LEUNG Yiu-chung considered that instead of regulating bedspace apartments under the BAO, the Government should have the determination to phase out such accommodation. The Chairman and Mr LEUNG Kwok-hung shared the views. In response, DSH re-iterated that low-income families that could not afford private rental housing could apply for PRH through the WL. At members' request, DSH said that the Transport and Housing Bureau would liaise with relevant bureaux including the Home Affairs Bureau for responding to members' views about phasing out bedspace and cubicle apartments.

The way forward

31. In recognition that assistance to low-income families in meeting their housing needs straddled the purviews of the Panel, the Panel on Welfare Services and the Panel on Home Affairs, the Chairman proposed that the chairmen of these panels should consider appropriate means to follow up the matter, such as setting up a subcommittee under the panels to study related issues and identify improvement measures. Dr Fernando CHEUNG, Chairman of the Panel on Welfare Services, shared the view but considered it untimely to form a subcommittee when the current legislative term was drawing to an end. He considered it advisable for the Panel on Housing to take up the matter. Members of the other two panels and representatives from relevant bureaux and departments would be invited to attend future meetings for discussion on the subject. The Chairman said that he would follow up with the chairmen of the other two panels to work out the appropriate way to follow up the subject.

Concluding remarks

- 32. <u>The Chairman</u> proposed and <u>members</u> agreed that the meeting should be extended to end at 4:25 pm. <u>The Chairman</u> then invited the deputations to make their concluding remarks.
- 33. <u>Ms SZE Lai-shan</u> and <u>Mr NG Wai-tung of SOCO</u> made the following points:
 - (a) Half of the existing 110 000 applicants on the WL would have their waiting time longer than the 3-year AWT pledge because their applications were either frozen due to restrictions under RR or they were non-elderly one-person applicants. Some of these people might even have to wait for more than ten years for allocation of PRH. Although HA had not rejected any CR recommendation from SWD in the past year, SWD had turned away many low-income people seeking CR. The Administration should review the problems highlighted at this meeting to ensure low-income people that had genuine housing needs and could not afford private rental accommodation would be allocated PRH readily;

- (b) The BAO could not effectively regulate the size of bedspace apartments and the living space of residents therein, hence failing to ensure satisfactory living conditions of these apartments. SOCO supported the phasing out of bedspace apartments and saw an urgent need for the Administration to formulate a policy in this regard. All relevant panels, bureaux and departments should joint efforts to resolve problems relating to bedspace and cubicle apartments; and
- (c) To provide timely assistance to low-income families in meeting their housing needs, the Administration should consider members' suggestion of re-introducing RA Scheme.
- 34. <u>Ms TSE King-ling of LIF Concern Group</u> called for interim measures to help WL applicants tide over hardship while they were waiting for PRH allocation. She considered that rent control should be re-instated to protect interests of tenants of private accommodations facing huge rental increases.
- 35. Mr CHOW Kam-chuen of GH Concern Group re-iterated the concern that low-income singletons could not benefit from any assistance from society and had to stay in undesirable and inhumane private rental accommodation.
- 36. Mr KONG Ping-yiu of HCG opined that the Government had failed to provide comprehensive assistance to low-income people. These people were also unable to benefit from the tax and other concessions for the disadvantaged groups announced in the 2008-2009 Budget, such as the electricity subsidy grant because electricity meters installed in cubicle or bedspace apartments were normally registered in the landlords' names.
- 37. <u>Mr SHEA Hing-wan of HKOC</u> re-iterated that the Government should not pass its responsibility of taking care of the needy on to small property owners. He also made the following points:
 - (a) Some tenants who were CSSA recipients spent all CSSA payments for their own enjoyment and refused to pay rents. No assistance was available to the landlords concerned;
 - (b) Landlords could not repossess their properties within seven days as claimed by GH Concern Group. Landlords had to go through complicated legal procedures before they could evict tenants who had refused to pay rents; and
 - (c) The emergence of cubicle and partition apartments in private buildings had given rise to many fire and building safety problems since building conversion works were unauthorized and hence unregulated. The Administration should take action to tackle these problems. The conversion works were undertaken by tenants at times. In the event that accidents occurred and the tenants

concerned ran away, landlords might be unfairly required to bear the consequences.

- 38. Mr Vincent HO of LCG remarked that he was aware that one of his ex-tenants was allocated PRH within six months. Thus, it was not difficult for people with genuine and pressing housing needs to secure PRH flats. To assist low-income people in meeting their housing needs in the long run, he suggested that consideration should be given to setting up a fund in this regard.
- 39. Summing up, the Chairman said that the Panel would continue to monitor the subject and consideration might be given to scheduling special meetings to discuss related issues with relevant departments and bureaux. He would discuss the way forward with the chairmen of the two other relevant panels. He thanked the deputations for attending the meeting and said that they would be invited to attend further discussions on the subject when necessary.

(*Post-meeting note*: The information requested by members under paragraphs 23, 27 and 30 was circulated to members vide LC Paper No. CB(1)2203/07-08(01) on 21 July 2008.)

II Any other business

40. There being no other business, the meeting ended at 4:25 pm.

Council Business Division 1 <u>Legislative Council Secretariat</u> 12 September 2008