

**立法會**  
***Legislative Council***

LC Paper No. CB(1)43/14-15  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/HG/1

**Panel on Housing**

**Minutes of meeting**  
**held on Monday, 7 July 2014, at 2:30 pm**  
**in Conference Room 3 of the Legislative Council Complex**

**Members present** : Hon WONG Kwok-hing, BBS, MH (Chairman)  
Hon WU Chi-wai, MH (Deputy Chairman)  
Hon LEE Cheuk-yan  
Hon LEUNG Yiu-chung  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon Vincent FANG Kang, SBS, JP  
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN  
Hon CHAN Hak-kan, JP  
Hon IP Kwok-him, GBS, JP  
Hon Alan LEONG Kah-kit, SC  
Hon LEUNG Kwok-hung  
Hon Albert CHAN Wai-yip  
Hon WONG Yuk-man  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Alice MAK Mei-kuen, JP  
Dr Hon KWOK Ka-ki  
Hon KWOK Wai-keung  
Dr Hon Fernando CHEUNG Chiu-hung  
Ir Dr Hon LO Wai-kwok, BBS, MH, JP  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP  
Hon Tony TSE Wai-chuen, BBS

**Members absent** : Hon James TO Kun-sun  
Hon Paul TSE Wai-chun, JP

**Public Officers attending** : **For item III**

Professor Anthony CHEUNG, GBS, JP  
Secretary for Transport and Housing

Mr Stanley YING, JP  
Permanent Secretary for Transport and Housing (Housing)

Miss Agnes WONG, JP  
Deputy Secretary for Transport and Housing (Housing)

Mrs Vicki KWOK  
Principal Assistant Secretary for Transport and Housing  
(Housing) (Private Housing)

**For item IV**

Professor Anthony CHEUNG, GBS, JP  
Secretary for Transport and Housing

Mr Stanley YING, JP  
Permanent Secretary for Transport and Housing (Housing)

Miss Agnes WONG, JP  
Deputy Secretary for Transport and Housing (Housing)

Mr Anson LAI  
Assistant Director (Strategic Planning)  
Housing Department

Mr Leslie TANG, JP  
Commissioner for Census and Statistics

Mr Kenneth LAM  
Senior Statistician  
Census and Statistics Department

**Clerk in attendance :** Ms Miranda HON  
Chief Council Secretary (1)1

**Staff in attendance :** Mr Jackie WU (for item III)  
Research Officer 2

Mr Ken WOO  
Senior Council Secretary (1)5

Ms Mandy LI  
Council Secretary (1)1

Miss Mandy POON  
Legislative Assistant (1)1

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**I. Confirmation of minutes**

(LC Paper No. CB(1)1679/13-14 — Minutes of the special meeting held on 28 January 2014)

The minutes of the special meeting held on 28 January 2014 were confirmed.

**II. Information papers issued since last meeting**

2. Members noted that the following papers had been issued since the last meeting –

(LC Paper No. CB(1)1647/13-14(01) — Administration's Booklet on "General Housing Policies"

LC Paper No. CB(1)1563/13-14(01) — Land Registry Statistics for May and June 2014 provided by and CB(1)1751/13-14(01) the Administration (press release))

3. The Chairman reminded members that a special meeting of the Panel would be held on Thursday, 24 July 2014, at 9:00 am to receive public views on the subject of "Tenancy control".

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**III. Tenancy control**

(LC Paper No. CB(1)1709/13-14(01) — Administration's paper on "Tenancy control"

LC Paper No. IN18/13-14 — Information note on "Tenancy control in selected places" prepared by the Research Office of the Legislative Council Secretariat

LC Paper No. CB(1)1709/13-14(02) — Referral memorandum from the Public Complaints Office of the Legislative Council Secretariat regarding the request for reviewing the policy on tenancy agreement and rent control (Chinese version only) (Restricted to Members)

Relevant papers

LC Paper No. CB(1)1063/13-14(01) — Referral memorandum from the Public Complaints Office of the Legislative Council Secretariat regarding the request for reviewing the policy on tenancy agreement and rent control (Chinese version only) (Restricted to Members)

LC Paper No. CB(1)1015/13-14(01) — Letter dated 25 February 2014 from Hon WONG Kwok-hing, Chairman, on his request for the Research Division of the Legislative Council Secretariat to conduct research studies on rent control (Chinese version only)

LC Paper No. CB(1)479/13-14(01) — Referral memorandum from the Public Complaints Office of the Legislative Council Secretariat regarding the request for shelving the policies on rent

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control and rent allowance under the Comprehensive Social Security Assistance Scheme (Chinese version only) (Restricted to Members))

4. The Secretary for Transport and Housing ("STH") briefed members on the Administration's research findings and observations on the issue of tenancy control by highlighting the salient points of the Administration's paper. The Principal Assistant Secretary (Housing) (Private Housing) ("PAS(H)(PH)") then gave a power-point presentation on the subject.

*(Post-meeting note: A set of the power-point presentation materials was circulated to members vide LC Paper No. CB(1)1761/13-14(01) on 8 July 2014.)*

5. PAS(H)(PH) referred to a statement from the Caritas Development Project for Grassroots Organizations ("Caritas") tabled at the meeting informing the Panel that its views had been incorrectly presented on the first page of Annex E to the Administration's paper. She clarified that this was due to a typographical error during the preparation of Annex E, and that the views of Caritas had in fact been accurately reflected on page 3 of the same Annex. She undertook to provide a revised version of the above Annex to the Panel as soon as possible.

*(Post-meeting note: The statement from Caritas was circulated to members vide LC Paper No. CB(1)1763/13-14(01) on 7 July 2014. The Administration's written response and a revised Annex E of the Administration's paper were circulated to members vide LC Paper No. CB(1)1783/13-14(01) on 10 July 2014.)*

6. Mr KWOK Wai-keung expressed concern about cases where tenants of sub-divided units ("SDUs") were charged excessive rent or evicted without justifiable reasons and that these tenants were very often left stranded by a one-month notice period which was too short for them to look for alternative accommodation. He urged the Administration to review the policy on tenancy control and take immediate measures to protect the tenure of these tenants, such as by requiring landlords to give justifiable reasons and a reasonable notice period in terminating a tenancy.

7. Mr LEUNG Kwok-hung opined that the residential property market had failed to find its own balance as evident by the top ranking of Hong Kong on expenses for rented accommodation. As the pace of public housing supply was unable to meet the pressing needs of the general public, he urged the Administration to review the tenancy control policy and take immediate actions

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to relieve the rental burden on the grassroots.

8. Mr Alan LEONG said that during the second reading debate on the Landlord and Tenant (Consolidation) (Amendment) Bill 2003, the former Secretary for Housing, Planning and Lands indicated that there was a need to provide a safety net for low-income tenants upon passage of the Bill to remove the security of tenure. He expressed concern that the said safety net had now proven to be unsuccessful. Pointing out that tenants of SDUs and concern groups representing grassroots interests were in fact only calling for partial reinstatement of tenancy control to tackle certain unreasonable requests of landlords, he suggested that the Administration should consider adopting some tenancy control measures, such as capping the rent payable at the market value of the premises concerned with reference to its rateable value. He also urged the Administration to conduct a review on the tenancy control policy.

9. STH responded that in light of the prevailing public concern on tenancy control, the Administration had undertaken to conduct a study on the subject to enable a more informed discussion of the matter by the community. While the Administration was aware of the difficulties faced by SDU tenants, such as high rents and the absence of bargaining power in tenancy negotiations, the Administration considered that it would not be in the overall public interest to rush into any tenancy control measures, as empirical studies and evidence had suggested that such measures would often lead to unintended consequences, including consequences contrary to the original purpose, such as inducing landlords to charge a higher initial rent or reducing their willingness to lease out their premises.

10. Mr LEE Cheuk-yan also expressed concern on the difficulties faced by SDU tenants, including soaring rent and frequent evictions by landlords and hence the pains in finding another accommodation within a very short period. He criticized the Administration for recognizing the difficulties faced by SDU tenants on the one hand, but taking no action to relieve them on the other. He said that the unintended consequences of tenancy control, such as a higher initial rent, had in fact existed even without tenancy control at the moment, and landlords withholding their premises for leasing out could be tackled by way of vacant property tax. He opined that discussion on the subject would serve no useful purpose when the Administration kept emphasizing the negative side of tenancy control. He sought the Administration's stance on the matter and requested a timetable for public consultation.

11. Noting that the Hong Kong Housing Authority ("HA") had endorsed a 10% increase in public rental housing ("PRH") rent with effect from September 2014, Mr LEUNG Yiu-chung was concerned that the rate of rental increase for SDUs would be even higher. He criticized the Administration for only presenting the pros and cons of tenancy control in the study without

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addressing the practical difficulties faced by SDU tenants or putting up concrete proposals to resolve them. He also queried the Administration's determination to help SDU tenants as the unintended consequences of tenancy control could be resolved by legislative means.

12. Mr WU Chi-wai pointed out that the Administration had introduced various measures following a comprehensive review of tenancy control in 1981 to safeguard the interests of both landlords and tenants and tenancy control was well established in Hong Kong prior to its complete removal in 2004. He questioned why the Administration was unwilling to reinstate tenancy control measures based on operational experience gained. He also said that apart from protecting the security of tenure for tenants, tenancy control could in his view also safeguard the security of tenure on the side of landlords as the demand for rented accommodation was expected to decrease after five years or so with more new public housing units available. He urged the Administration to launch public consultation on tenancy control and to set a timetable for reviewing the matter.

13. Mr LEUNG Che-cheung noted with concern the substantial rent increase for residential units and that the situation had got out of control. Given the long lead time required to build new public housing and that the complete reinstatement of tenancy control appeared unsound from the policy angle, he asked whether the Administration would consider introducing interim measures to bring immediate relief to those SDU tenants in deep distress, such as by capping the rate of annual rent increase allowed.

14. Noting that the supply of public housing would not be sufficient to meet the huge demand of the public in the short run, Mr Vincent FANG suggested that the Administration could consider legalizing SDUs with a view to facilitating management, or encouraging both landlords and tenants to agree on the length of the tenancy, preferably a longer one, the rent payable during the tenancy, and the notice period required for tenancy termination.

15. STH explained that in conducting the study, the Administration had made reference to its research on overseas countries, as well as a research conducted by the Organization for Economic Co-operation and Development in respect of its member countries, on their tenancy control systems. The Administration's study had presented both sides of the views on tenancy control in an impartial manner. It was observed that there had been quite a number of empirical studies suggesting that tenancy control measures might bring about inadvertent and undesirable consequences. The Administration was aware of the sensitivity of the residential property market towards the Government's position on tenancy control. It was necessary to be prudent in considering the subject matter in order to avoid creating unintended consequences to the residential property market.

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16. Referring to Annex D to the Administration's paper which set out the history of tenancy control in Hong Kong, Mr Frederick FUNG expressed concern about the lack of information on the effects of implementation of tenancy control in the past. Pointing out that it would take some six years for new housing developments to be ready for occupation, he asked about the Administration's actions in the interim to resolve the difficulties faced by SDU tenants.

17. Dr KWOK Ka-ki said that he was disappointed at the study which did not put forward concrete solutions for SDU tenants who were frequently evicted and hence were most in need of tenancy control measures to safeguard their tenure. Given the Administration's refusal to consider transitional housing and that new public housing could not be made available shortly, he asked what measures the Administration would take to help SDU tenants tackle unreasonable termination of tenancy at short notice.

18. Dr Fernando CHEUNG pointed out that security of tenure was removed in 2004 and the supply of private housing units had dropped from about 26 000 in 2003 to about 8 300 in 2013. He therefore queried the Administration's view that removal of tenancy control would have an effect of promoting private housing production. Noting that the overall residential rents in May 2014 had soared by about 67% as compared to the trough in 2008-2009, he asked about the Administration's actions to relieve the imminent rent burden on SDU tenants.

19. STH clarified that the Administration had not indicated that removing tenancy control would result in an increase in private housing production, which highly depended on land supply and relevant policies and measures. Overseas experience had suggested that in the midst of a shortage in housing supply, any tenancy control measures would result in fewer housing units being built. The Administration agreed with the Long Term Housing Strategy ("LTHS") Steering Committee that the root of the problem was the gap between demand and supply of housing, and the fundamental solution to the problem was to increase the supply of both private and public housing. The Administration had monitored the rent level of private accommodation, and would further respond to the issue by the end of the year when the Government announced the LTHS.

20. Mr IP Kwok-him said that the Democratic Alliance for the Betterment and Progress of Hong Kong had reservation about reinstating tenancy control, as it had given rise to undesirable consequences such as discouraging the proper maintenance of the rented flats and the emergence of "rogue tenants". Instead of holding small landlords who might rely on the rental income for living responsible for the current housing problem, the Administration should tackle the problem at source by increasing housing supply. He also sought information on the trend of implementation of tenancy control for countries



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around Hong Kong. STH responded that as seen in Annex C to the Administration's paper, there had been different degree of tenancy control in place in some European countries targeting at either rent or tenure control, while the imposition of tenancy control in Asia was not common.

21. Noting that the public was not calling for imposition of tenancy control across the board, Mr Michael TIEN said that the New People's Party had examined the proposals of having tenancy control imposed based either on floor area or rent level. Both proposals might give rise to loopholes as landlords might re-partition their premises or charge a rent slightly lower than the prescribed rent level to circumvent the restrictions. He enquired if there were successful cases in the overseas where tenancy control was imposed based on a particular criterion and yet market operation was not distorted, and the reason for the higher percentage of higher-income households compared with lower-income ones living in the rent-controlled premises in some cases. STH explained that as tenancy control was imposed indiscriminately in some cities in the United States, even better-off citizens could benefit from the control measures and seek accommodation in rent-controlled premises. Other than that, overseas experience indicated that imposing tenancy control based on certain criteria would give rise to differential treatment to tenants, and its impact should not be under-estimated.

22. Mr WONG Yuk-man was neither convinced of the impartiality nor the reference value of the study as it failed to take into account views of local scholars and decades of local experience in implementing tenancy control. He commented that the crux of the housing dilemma lay in the severe imbalance between the demand and supply of residential units, which had pushed up the rent level. He urged the Administration to impose tenancy control to protect the security of tenure for those paying a rent at the market value, and to pay for the difference for those who could not afford to pay a rent at the market value in the form of rent subsidy. He believed that the policy of rent subsidy would motivate the Administration to expedite the supply of land and housing, leading to a drop in the rent level of residential units. Mr Christopher CHUNG also asked whether the Administration would consider granting rent subsidy to relieve the rental burden on those who had been on the Waiting List for PRH for more than three years.

23. STH responded that as revealed by the LTHS Consultation Document, there were concerns that any rent assistance introduced in a tight supply market would be counter-productive, as the subsidy would most likely lead to upward pressure on rent levels, thereby partially or even wholly offsetting the benefits to the tenants by passing the windfall to the landlords.

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24. The Chairman urged the Administration to conduct a review on tenancy control on account of the difficulties faced by grassroots tenants in renting accommodation as well as the many problems associated with rented accommodation since the complete removal of tenancy control in 2004. He agreed with some members' views that the Administration should explore the feasibility of reinstating tenancy control partially, and stressed that the policy measures should balance the interest of both landlords and tenants.

Motion

25. The Chairman referred members to the following motion moved by Mr WU Chi-wai and seconded by Mr LEE Cheuk-yan –

"立法會房屋事務委員會要求：盡快展開租務管制公眾諮詢，並訂定租務管制檢討時間表。"

(Translation)

"That the Panel on Housing of the Legislative Council requests the Administration to expeditiously launch public consultation on tenancy control and to draw up a timetable for reviewing tenancy control."

26. The Chairman put the motion to vote. Seven members voted for the motion, one member voted against it and one member abstained. The Chairman declared that the motion was carried.

**IV. Third rent review for public rental housing**

(LC Paper No. CB(1)1742/13-14(01) — Administration's paper on "Third rent review for public rental housing"

LC Paper No. CB(1)1742/13-14(02) — Updated background brief on "Rent adjustment mechanism for public rental housing" prepared by the Legislative Council Secretariat

LC Paper No. CB(1)1752/13-14(01) — Motion proposed by Hon Alice MAK Mei-kuen (Chinese version only)

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27. STH briefed members on the outcome of the third rent review conducted under the established rent adjustment mechanism for PRH by highlighting the salient points of the Administration's paper. The Assistant Director of Housing (Strategic Planning) then gave a power-point presentation on the subject.

*(Post-meeting note: A set of the power-point presentation materials was circulated to members vide LC Paper No. CB(1)1761/13-14(02) on 8 July 2014.)*

Rent adjustment mechanism for public rental housing

28. Noting that HA's Subsidized Housing Committee ("SHC") had endorsed the outcome of the third rent review and approved a 10% increase in PRH rent which would come into effect on 1 September 2014, Miss Alice MAK said that the majority of PRH tenants did not have the same level of pay rise and the living standard of PRH households had in fact deteriorated given the high inflation rate. She pointed out that The Hong Kong Federation of Trade Unions ("FTU") was of the view that the present rent adjustment mechanism for PRH was incomprehensive as it did not take inflation rate into consideration. She urged the Administration to conduct a review on the rent adjustment mechanism to duly consider inflation rate.

29. Mr LEUNG Yiu-chung expressed concern that the base of PRH rent would be raised by 10% with the approved increase, causing future rent to be even higher. He pointed out that the rate of annual wage increase in real terms was -0.2% in 2013, meaning that the living standard of the general public had worsened. He therefore urged the Administration to review the rent adjustment mechanism to factor in the rate of inflation, and ensure that any rent adjustment in the future would not result in a lower living standard of PRH tenants. Mr LEUNG Che-cheung shared similar views. He said that while the inflation rate and underlying inflation rate were 4.6% and 3.7% respectively, the level of real wage increase was lower, indicating that the living standard of the general public had not improved. He cast doubt on the accuracy of the rent review, and supported that the rent adjustment mechanism should take inflation rate into account to reflect the living standard of PRH households more accurately.

*(Post-meeting note: The Census & Statistics Department ("C&SD") advised that having checked with official statistics, the reference period of the inflation rate and underlying inflation rate mentioned by Mr LEUNG Che-cheung was from January to May 2014 and that the inflation rate and underlying inflation rate during that period should be 4.0% and 3.7% respectively.)*

30. Mr Alan LEONG opined that the current rent adjustment mechanism did not give a whole picture of the living condition of PRH households as it did not

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take into account household expenditure, which was affected by the inflation rate. An increase in household income did not necessarily bring about an improvement to the living standard of PRH households.

31. Mr LEE Cheuk-yan said that grassroots households with more family members joining the workforce in an attempt to improve their living standard might have pushed up the household income of PRH tenants in general. They, however, would have difficulties in improving their living genuinely in the face of the ever increasing transport fares and rent. Expressing similar concern on the rent adjustment mechanism that the base would become even higher after each rent increase, he urged the Administration to conduct a review on the mechanism to ensure that in times of economic prosperity, grassroots households could equally benefit from the economic growth. Mr LEE also criticized FTU for supporting the mechanism when it was introduced. The Chairman clarified that as proven by the then voting record, FTU was opposed to the mechanism when it was introduced. Upon clarification by the Chairman, Mr LEE withdrew his relevant criticism of FTU.

32. Mr Frederick FUNG said that he had opposed the present rent adjustment mechanism when it was introduced as it would push up the rent level endlessly. He stressed the need for the mechanism to look into the percentage of household income taken up by rental expenses and to contain such percentage to a reasonable level.

33. While agreeing that HA should act in accordance with the established mechanism to adjust rent in every two years, Prof Joseph LEE urged HA to pay heed to members' request for reviewing the mechanism such that the factor of inflation rate would be duly considered.

34. STH responded that the Ad Hoc Committee set up by HA in 2001 to review its domestic rent policy found that inflation rate could not accurately reflect the changes in household income. HA subsequently approved the Report on the Review of Domestic Rent Policy in 2006, which recommended the formulation of the income-based rent adjustment mechanism to replace the then requirement of the median rent-to-income ratio of all estates not exceeding 10% after any rent variation. Under the existing rent adjustment mechanism for PRH which was provided under section 16A of the Housing Ordinance (Cap. 283) and came into effect on 1 January 2008, HA shall conduct a rent review every two years and vary the PRH rent according to the change in the income index between the first and second periods covered by the review. If the income index for the second period was higher than that of the first period by more than 0.1%, HA shall increase the relevant rent by the rate of the increase of the income index or 10%, whichever was less, or reduce the relevant rent by the rate of reduction of the income index if the income index for the second period was lower than that of the first period by more than 0.1%. The first and second

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periods covered by the third rent review were the 12 months expiring on 31 December 2011 and 31 December 2013 respectively. The mechanism provided an objective basis for HA to determine the timing and rate of rent adjustment, taking into account tenants' affordability.

35. In response to members' concern that the base of PRH rent would be raised by each rent increase, causing future rent to be even higher, STH advised that to provide a starting point for the rent adjustment mechanism to operate effectively, HA had reduced the PRH rent by 11.6% from August 2007. He considered that the approved level of rent increase was reasonable having regard to tenants' affordability, as the average monthly rent as at December 2013 was \$1,540 and would increase to \$1,694 after an adjustment of +10%, which represented only 9.18% of tenants' adjusted mean monthly household income at \$18,455 in 2013.

36. The Chairman expressed regret at SHC's decision to increase PRH rent by 10% which would in effect completely offset the one month's rent proposed to be paid by the Government under the 2014-2015 Budget. He found the percentage of increase unacceptable, and queried why the increase could not be pitched at a level equal to or even lower than the inflation rate. Pointing out that the rate of annual wage increase in real terms actually lagged behind the rate of inflation, he urged HA to review the rent adjustment mechanism and consider members' views for factoring inflation rate into the mechanism to better reflect the living standard of PRH households.

Accuracy of survey data

37. Mr Alan LEONG referred to paragraph 15 of the Administration's paper which stated that PRH tenants' household income had increased by 19.27% from 2011 to 2013. He said that PRH tenants had doubted the accuracy of the figure as they had not received that percentage of salary increase during the survey period. Mr LEUNG Che-cheung and Mr KWOK Wai-keung expressed a similar view.

38. The Commissioner for Census and Statistics ("C for C&S") pointed out that the income data of PRH households collected through the "Survey on Household Income of Public Rental Housing Tenants" was used as the basis for compiling the income index. Statistical testing was conducted by C&SD to evaluate if the distribution of the sampled households was in line with the actual distribution of PRH tenants in terms of household size and geographical distribution. About 5% of the sampled households who had declared income were randomly selected by C&SD for HA to request them to submit income documentary proof to support that the information declared was true and correct. Some 1 200 households were covered by this additional verification annually. Also, about 2% of the completed income declaration forms were randomly

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selected by C&SD each month for checking the accuracy of data input performed by HA. Upon performing the above quality checks, C&SD confirmed that the survey data adopted for the computation of the income index had accurately reflected the household income of PRH tenants in both 2011 and 2013.

39. C for C&S further advised that the economy prospered during 2011 to 2013. The manpower for low-income jobs was very tight during the period, pushing up the wage for such jobs by over 10%. Due to an immense demand for low-skilled labour, more members of PRH households, including homemakers and retirees, joined the workforce. The above contributed to the increase in household income for PRH tenants during the periods covered by the third rent review.

Suggestion on granting a one-month rent waiver to tenants of public rental housing

40. Pointing out that the 2014-2015 Budget proposed to pay only one month's rent as opposed to two in previous years, Miss Alice MAK called for HA to grant a one-month rent waiver along with the rent adjustment to alleviate the burden of PRH households. Mr LEUNG Yiu-chung and Mr KWOK Wai-keung echoed Miss MAK's view.

41. Dr Fernando CHEUNG noted that HA had accumulated over \$60 billion of fiscal surplus. In the circumstances, he queried the need for HA to increase PRH rent, and where the increase was necessary, whether it would be at all impossible to grant a one-month rent waiver which would only amount to about \$1.2 billion. He supported the suggestion of granting a one-month rent waiver as living expenses were on the rise with the inflation.

42. STH responded that given the increase in tenants' overall household income by 19.27% from 2011 to 2013, coupled with the fact that the rate of rent increase had been capped at 10%, it was arguable if there were clear grounds for HA to grant a rent waiver.

43. Mr Vincent FANG considered that the endorsed 10% rent increase was reasonable as rental expenses would only take up about 10% of the household income of PRH tenants on average after the increase. He also concurred with HA's view that granting a rent waiver to all tenants irrespective of whether tenants were in need might not be the best use of HA's revenue. He urged HA to optimize and enhance publicity of its Rent Assistance Scheme ("RAS") in order that more tenants with the genuine financial difficulties could benefit from it. Mr Alan LEONG and Prof Joseph LEE also requested HA to enhance RAS and relax the eligibility threshold to assist needy tenants. Noting that RAS applicants were classified as either elderly households or non-elderly

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households, Dr Fernando CHEUNG requested the Administration to consider allowing persons with disabilities to apply as elderly households.

44. STH relayed SHC members' views expressed at the meeting on 4 July 2014 to enhance RAS to benefit more PRH households. He undertook to follow up SHC members' suggestions to further enhance RAS.

Motion

45. The Chairman referred members to the following motion moved by Miss Alice MAK and seconded by Mr KWOK Wai-keung and the Chairman himself –

"鑒於房委會通過今年9月加租一成，為紓緩公屋居民的負擔，本事務委員會要求房委會參考以往做法，寬免公屋居民一個月租金，並早日全面檢討公屋租金調整機制。"

(Translation)

"That, in view of the endorsement of a 10% rent increase from September this year by the Hong Kong Housing Authority ("HA"), this Panel requests HA to make reference to the past practice and grant a one-month rent waiver to tenants of public rental housing ("PRH") to relieve their burden, and to expeditiously conduct a comprehensive review of the rent adjustment mechanism for PRH."

46. The Chairman put the motion to vote. Six members voted for the motion, no member voted against it and one member abstained. The Chairman declared that the motion was carried.

**V. Report of the Subcommittee on the Long Term Housing Strategy**

(LC Paper No. CB(1)1705/13-14 — Report of the Subcommittee  
on the Long Term Housing  
Strategy)

47. The Chairman said that the Subcommittee on the LTHS ("the Subcommittee") formed under the Panel had completed its work and he invited members to note the Report of the Subcommittee. He also advised that with the completion of the work of the Subcommittee, the Panel would follow up any issues related to LTHS and the relevant policy measures to be formulated by the Government in future. Members noted the Report.

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**VI. Any other business**

48. There being no other business, the meeting ended at 5:08 pm.

Council Business Division 1  
Legislative Council Secretariat  
14 October 2014