## 立法會 Legislative Council

LC Paper No. CB(1)746/17-18 (These minutes have been seen by the Administration)

Ref: CB1/PL/HG/1

#### **Panel on Housing**

## Minutes of policy briefing held on Monday, 30 October 2017, at 2:30 pm in Conference Room 1 of the Legislative Council Complex

**Members present**: Hon Alice MAK Mei-kuen, BBS, JP(Chairman)

Hon Andrew WAN Siu-kin (Deputy Chairman)

Hon James TO Kun-sun Hon LEUNG Yiu-chung

Hon Abraham SHEK Lai-him, GBS, JP Prof Hon Joseph LEE Kok-long, SBS, JP

Hon CHAN Hak-kan, BBS, JP Hon CHAN Kin-por, GBS, JP Hon WONG Kwok-kin, SBS, JP

Hon Mrs Regina IP LAU Suk-yee, GBS, JP

Hon WU Chi-wai, MH

Hon MA Fung-kwok, SBS, JP

Hon CHAN Chi-chuen Dr Hon KWOK Ka-ki

Hon KWOK Wai-keung, JP

Dr Hon Fernando CHEUNG Chiu-hung Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Hon CHU Hoi-dick

Dr Hon Junius HO Kwan-yiu, JP

Hon HO Kai-ming Hon SHIU Ka-fai Hon SHIU Ka-chun

Hon Wilson OR Chong-shing, MH

Hon YUNG Hoi-yan

Hon Tanya CHAN

Hon CHEUNG Kwok-kwan, JP

Hon LUK Chung-hung Hon LAU Kwok-fan, MH Dr Hon CHENG Chung-tai Hon Jeremy TAM Man-ho

**Members attending**: Hon Michael TIEN Puk-sun, BBS, JP

Hon CHAN Han-pan, JP

**Members absent** : Hon Paul TSE Wai-chun, JP

Hon LEUNG Che-cheung, SBS, MH, JP

Hon KWONG Chun-yu

**Public Officers** attending

Agenda Item I

Mr Frank CHAN, JP

Secretary for Transport and Housing

Mr Stanley YING, JP

Permanent Secretary for Transport and Housing (Housing)

Dr Raymond SO, BBS, JP

Under Secretary for Transport and Housing

Ms Esther LEUNG, JP

Deputy Secretary for Transport and Housing (Housing)

Ms Ada FUNG, BBS, JP

Deputy Director (Development & Construction)

**Housing Department** 

Miss Rosaline WONG

Deputy Director (Estate Management)

**Housing Department** 

**Clerk in attendance**: Mr Derek LO

Chief Council Secretary (1)5

**Staff in attendance**: Mr Fred PANG

Senior Council Secretary (1)5

Ms Michelle NIEN

Legislative Assistant (1)5

#### Action

# I. Briefing by the Secretary for Transport and Housing on the Chief Executive's 2017 Policy Address

(LC Paper No. CB(1)19/17-18(01)

 Administration's paper on housing-related initiatives in the Chief Executive's 2017 Policy Address and Policy Agenda)

## Relevant papers

The Chief Executive's 2017 Policy Address at the Legislative Council meeting on 11 October 2017 and Policy Agenda booklet

At the invitation of the Chairman, the Secretary for Transport and Housing ("STH") briefed members on the Government's ongoing housing-related initiatives as stated in the 2017 Policy Address and Policy Agenda.

(*Post-meeting note*: STH's speaking note was issued to members vide LC Paper No. CB(1)168/17-18(01) on 1 November 2017.)

## Waiting time for public rental housing

2. Mr LAU Kwok-fan enquired whether the current-term Government would continue to work towards the shortening of the waiting time for public rental housing ("PRH") with a view to achieving the target of providing the first flat offer to general PRH applicants (i.e. family and elderly one-person applicants) at around three years on average. He expressed concern whether the Hong Kong Housing Authority ("HA") could provide adequate PRH units in a timely manner to meet the target. Dr Fernando CHEUNG enquired when the Administration could achieve the target. Mr Wilson OR opined that the average waiting time ("AWT") for PRH applicants had been increasing, and the Administration had yet to put in place effective measures to shorten the AWT.

- 3. <u>STH</u> replied that both the Administration and HA remained committed to providing PRH to low-income families who could not afford private rental accommodations, with the HA's target of providing the first flat offer to general applicants at around three years on average. As stated in the Long Term Housing Strategy ("LTHS") Annual Progress Report 2016, the total housing supply target for the ten-year period from 2017-2018 to 2026-2027 under LTHS was 460 000 units, comprising 200 000 PRH units, 80 000 subsidized sale flats and 180 000 private housing units. The Administration had identified land for the construction of about 236 000 public housing units in the same ten-year period. The Transport and Housing Bureau would continue to closely liaise with the Development Bureau ("DEVB") to identify and provide "spade-ready" sites to HA with a view to increasing and expediting the supply of public housing to meet the LTHS target.
- 4. Mr Andrew WAN cast doubt whether the public housing sites that had been identified for providing public housing units could be delivered on time for housing construction, in view that some of the sites, including those being used for brownfield operations, required the completion of necessary processes, which might take time. STH replied that the figure of 236 000 public housing units was an estimate based on the sites identified at the time, and the Administration would strive to ensure that the sites identified could be delivered on time for public housing production. Permanent Secretary for Transport and Housing (Housing) ("PS(H)") advised that the Administration briefed the Panel annually the latest progress of key aspects of LTHS, including the latest projection of the long term housing demand and the updated ten-year housing supply target, as well as the measures to expedite and increase overall housing land supply. All the relevant figures provided were worked out based on technical assessments and professional judgements.
- 5. Mr CHAN Han-pan opined that while it was appropriate to work out more new initiatives to address the housing problems in Hong Kong and to rebuild the housing ladder, the Administration should take into account the PRH applicants' concerns about the impact of the new initiatives on the waiting time for PRH. Referring to the enquiry by Mr LUK Chung-hung, the Chairman requested the Administration to provide supplementary information on the number of applicants on the Waiting List ("WL") who had been waiting for more than three years and had not been provided the first flat offer.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)696/17-18(01) on 14 March 2018.)

## Measures to address housing needs of public rental housing applicants

- 6. Mr KWOK Wai-keung enquired whether to address the difficulties of PRH applicants generated from high flat rentals, the Administration would take forward the suggestions on reinstating tenancy control, providing rent allowances and introducing vacant property tax. Mr LUK Chung-Hung raised the same question. STH replied that measures such as providing rent subsidies to the grassroots families and implementing tenancy control might be counter-productive. Empirical findings, both local and overseas, suggested that tenancy control might prompt landlords to charge a higher initial rent, reduce supply of rented accommodations, etc. These unintended consequences should not be overlooked.
- 7. Referring to a project on Community Housing Movement taken forward by the Hong Kong Council of Social Service in partnership with non-government organizations to rent flats from private owners and sublet them to needy households, Mr SHIU Ka-chun enquired whether the Administration would take on more responsibilities in the initiative apart from acting as a facilitator. STH replied that the Administration believed that identifying more land for public housing development was the fundamental solution to effectively address the housing supply problems. As regards the short-term housing-related measures driven and implemented by the community to alleviate the difficulties of needy households, the Administration would continue to provide support as far as practicable.

## Public rental housing

- 8. Mrs Regina IP, Mr Wilson OR, Dr Fernando CHEUNG, Mr SHIU Kachun and Mr CHU Hoi-dick enquired about the basis of the Chief Executive ("CE")'s remark quoted saying in a press interview that she thought 800 000 PRH units might be sufficient to cater for the needs of grassroots families. Mr CHAN Chi-chuen asked whether the figure had taken into account the large number of new arrivals through the One Way Permit system.
- 9. Mrs Regina IP enquired why CE considered that increasing the supply of PRH units from the existing 756 000 to 800 000 could meet the demand of grassroots families, given that there were about 280 000 WL applicants. Mr LAU Kwok-fan and Mr Wilson OR raised similar enquiries and considered that it was not appropriate to set a ceiling on the number of PRH units. Mr OR opined that CE should clarify her remarks in the press interview about the supply of PRH units, and the Administration should make clear whether the PRH supply target had not changed to 800 000 units only.

<u>Dr CHENG Chung-tai</u> sought clarification on whether the Administration/HA would cease the production of PRH units very soon. <u>Mr Andrew WAN</u> said that setting a limit of 800 000 for the number of PRH units was unscientific and not practical. <u>Dr KWOK Ka-ki</u> questioned whether the CE's remarks had ignored the ten-year supply target of 200 000 PRH units under LTHS, and whether STH considered that the remarks should be disregarded.

- 10. <u>STH</u> replied that CE had clarified on 27 October 2017 that there was no plan to put a cap on PRH supply. CE had also stated clearly in the Policy Address that PRH was a long-established safety net for the grassroots and low-income families, and it was the Government's responsibilities to continue providing PRH units. According to the LTHS announced in December 2014, to gradually avert the housing supply-demand imbalance, apart from providing PRH, the Administration should also provide more subsidized sale flats, expand the forms of subsidized home ownership and facilitate market circulation of existing stock to help low to middle-income households meet their home ownership aspirations, and should also leverage on the private sector's capacity in the provision of residential units.
- 11. Mrs Regina IP opined that PRH was an important poverty alleviation measure, and sought clarification on whether the policy focus of the Administration had shifted from providing PRH to low-income families to addressing public aspirations for home ownership. Mr LEUNG Yiu-chung raised similar question and opined that the Administration should make clear whether helping households gain access to adequate housing would continue to be its policy's main focus. STH replied that the Administration was all along committed to providing adequate and affordable housing to families in need. The Policy Address had mentioned that the Government would strive to shorten the waiting time for PRH, and had also set out a policy direction of helping better-off PRH tenants move up the housing ladder. In taking forward this policy direction, the Administration would take into account relevant factors, including supply of public housing, the PRH tenants' aspirations for home ownership and their ability to afford, etc.
- Mr James TO opined that CE had made the remarks in the press interview about the supply of 800 000 PRH units after careful consideration of relevant factors, such as the financial burden borne by HA in providing PRH. He said that members of the public were concerned that CE would ignore LTHS and the role of HA in the development and implementation of the Hong Kong's public housing programme. Dr Fernando CHEUNG expressed similar concern and considered that CE should withdraw the remarks. He said that the average PRH construction volume in the next five years being about 14 000 units per annum would lag behind the ten-year

target under LTHS of providing 200 000 PRH units. He questioned whether regularizing the Green Form Subsidised Home Ownership Scheme ("GSH") and the conversion of some 4 000 new PRH units in Fo Tan, Sha Tin into GSH flats for sale as mentioned in the Policy Address would further aggravate the shortfall in PRH supply. Mrs Regina IP considered it inappropriate for the Administration to encourage home ownership given the residential property prices were at a high level and were unaffordable to most households. She asked whether the Administration had conducted any survey on the number of PRH tenants who wished to buy their own homes.

- 13. STH replied that subsidized home ownership was an essential element of the housing ladder and a core component of LTHS. It was all along the vision of HA to provide subsidized sale flats to help low to middle-income households meet their home ownership aspirations. This was in line with LTHS and the current-term Government's policy direction. Home ownership was essentially a matter of personal choice and affordability. considering purchasing residential properties should carefully assess the risks and their own financial position. STH advised that Home Ownership Scheme ("HOS") or GSH flats were PRH tenants' first step for home ownership. Increasing the supply of GSH flats could help Green Formers, including PRH households and PRH applicants who had passed the detailed eligibility vetting, realize their home ownership aspirations and allowed the allocation of the PRH units surrendered by them to those waiting for PRH. In the Policy Address, CE had mentioned that she had requested HA to complete the review on GSH with a view to regularizing the scheme. To regularize GSH did not mean that HA would provide only GSH flats to Green Formers and cease producing PRH units. If after the review HA decided to regularize GSH, the Administration would take into account Green Formers' aspirations for home ownership and their ability to afford when working out the details of the scheme.
- 14. Mr WU Chi-wai opined that the Policy Address had outlined a range of initiatives covering GSH, the Scheme to Extend the HOS Secondary Market to White Form Buyers, the "Starter Homes" Pilot Scheme, and supply of more transitional housing, etc. As these new initiatives might bring fundamental changes to the housing strategy and impact on the public housing programme, the Administration/HA should examine them prudently and provide a holistic plan for public discussion before taking them forward. The Administration should make it clear whether it would follow the similar approach adopted by the Singaporean Government in providing Housing and Development Board flats.

15. Mr LAU Kwok-fan said that grassroots families might not be able to afford GSH flats, and regularizing GSH might not help shorten the waiting time for PRH. He enquired whether the Administration would re-launch the Tenants Purchase Scheme ("TPS") and allow PRH tenants to buy the units in which they were living. STH replied that sitting tenants in the existing 39 TPS estates could opt to buy the rental flats in which they were residing. The Administration had no plan to re-launch TPS outside the 39 TPS estates.

## Circulation of public rental housing units

16. Mr James TO and Mr SHIU Ka-chun asked about the justifications for CE's remark that if the circulation of PRH units could be maintained, 800 000 PRH units might be sufficient to cater for the needs of grassroots families. Mr TO queried how maintaining the PRH circulation could address the demand of the large number of applicants on WL. Mr SHIU requested the Administration to provide information, with statistics/figures, on the circulation of PRH flats in the past five years, and how the relevant existing policies, including but not limited to HOS, TPS, Marking Scheme for Estate Management Enforcement in Public Housing Estates, policies on tackling under-occupation in PRH estates, Well-off Tenants Policies/revised Well-off Tenants Policies, facilitated/affected the circulation of PRH flats.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)696/17-18(01) on 14 March 2018.)

17. Mr CHAN Han-pan and Mr CHAN Chi-chuen asked about the time taken between surrender of a PRH unit by the sitting tenant and re-letting of the PRH unit to a PRH applicant. In view that HA might regularize GSH, Mr CHAN Han-pan considered it important to ensure that the scheme would not adversely affect the waiting time for PRH, and enquired whether the Administration would speed up the process concerned so that the circulation of the PRH units surrendered by buyers of GSH flats could be enhanced. Mr CHAN Chi-chuen enquired whether apart from refurbishing a PRH unit vacated by the sitting tenant, it also took time for the Administration to complete other processes before the new tenant could move to the unit. Mr LEUNG Yiu-chung opined that compared to allocating a new PRH unit to a WL applicant, it would take a longer time to re-let a PRH unit surrendered by a GSH flat buyer to the applicant, as it was necessary for HA to renovate the unit before re-letting. Mr Andrew WAN expressed similar view.

18. In response, <u>STH</u> and <u>PS(H)</u> advised that while the re-letting process would take some time, the current target of the average turnaround time for vacant flat refurbishment should not exceed 44 days. HD had been exploring ways to compress the time required to complete the refurbishment and reletting processes. <u>Mr CHAN Han-pan</u> requested the Administration to provide information on the average time taken between surrender of a PRH unit by the sitting tenant and reallocation of the PRH unit to a WL applicant.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)696/17-18(01) on 14 March 2018.)

## Green Form Subsidised Home Ownership Scheme

- 19. Mr Wilson OR said that to address the concern that the Administration would cease providing PRH units for allocation to grassroots households and produce GSH flats for sale only, the current-term Government should make clear the ratio between the future supply of PRH and GSH flats. PS(H) advised that CE had stated on 27 October 2017 that she hoped HA would complete the review of GSH and holistically consider the PRH sites that should continue to be used for providing PRH. CE had also mentioned that which PRH projects should be converted to GSH should be subject to the HA's review. The Housing Department ("HD") had been compiling relevant information to facilitate members of the HA's Subsidised Housing Committee ("SHC") to consider whether to regularize GSH and if yes, implementation details of the scheme. The ratio as requested by Mr OR was not known at this stage. STH advised that on 27 October 2017, CE had explained that it might not be feasible to convert newly completed PRH units to GSH flats.
- 20. Mr LEUNG Yiu-chung and Mr Andrew WAN cast doubt whether GSH would be well received by Green Formers in view of the prospective buyers' response to the GSH pilot project in San Po Kong (King Tai Court). Mr LEUNG further said that according to a survey conducted by HA in 2016, of the 5 000 respondents, 3 000 were PRH households and only 12% of them were interested in purchasing a GSH flat. Mr WAN opined that in considering whether to provide more GSH flats for sale to Green Formers, the Administration needed to take into account their preferences and financial capabilities. He enquired whether the selling prices of GSH flats would not link to the market rate if the scheme was regularized. Mr LUK Chung-hung said that the selling prices of units under the GSH pilot project were not easily affordable to Green Formers. To make GSH flats more attractive to prospective buyers, HA should provide them at cost.

- 21. <u>STH</u> advised that HA launched the GSH Pilot project in San Po Kong (King Tai Court) in October 2016 to provide 857 units for sale to Green Formers at affordable prices. All the flats provided under the project had been sold, with over 800 buyers being tenants of PRH units of HA or the Hong Kong Housing Society. The Administration understood that members of the public had different views towards the proposal of regularizing GSH. The Administration had to wait for HA to complete the review on GSH. Subject to the outcome of the review, HA would work out the details of GSH. The Administration considered that in setting the prices of GSH flats, prospective buyers' ability to afford should be taken into account. <u>Mr LUK</u> remarked that HA should make reference to the PRH income limits when considering the Green Formers' ability to afford.
- 22. Mr KWOK Wai-keung enquired why the Administration believed that regularizing GSH would be a success, given that HA had not yet worked out the details of the scheme such as unit prices and sizes, etc. Dr Fernando CHEUNG enquired why the Policy Address had set out a direction of regularizing GSH and mentioned about conversion of some 4 000 new PRH units in Fo Tan, Sha Tin into GSH flats if HA had yet to complete the review on GSH. Dr KWOK Ka-ki considered it inappropriate for CE to give her views on regularizing GSH when the matter was subject to HA's review. STH responded that HA and the Administration were all along close partners in public housing development. When developing and implementing the public housing programme, HA might have its own views and judgements, taking into account relevant Government policies. From the Government's point of view, it was a responsible practice for the Government to give its views on issues relating to public housing for HA to consider.
- Ms Tanya CHAN enquired about the ratio between PRH and 23. subsidized sale flats if HA decided to regularize GSH. Mr LEUNG Yiuchung raised similar enquiry. PS(H) replied that if HA decided to regularize GSH, the Administration would consider whether and how the supply targets of different types of housing, including PRH and subsidized sale units, under LTHS should be adjusted in future. Ms Tanya CHAN remarked that members of the public were concerned whether the CE's remarks that 800 000 PRH units might be sufficient would affect the housing supply targets under LTHS. The Chairman requested the Administration to provide supplementary information on whether HA could choose not to implement the initiative of regularizing GSH in the Policy Address after considering the relevant details/reviewing the scheme, and at what time HA/the Administration would decide the ratio between the supply of PRH units and GSH flats.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)696/17-18(01) on 14 March 2018.)

- 24. Mr WU Chi-wai expressed concern that not all of the 200 000 PRH units being the target for the ten-year period from 2017-2018 to 2026-2027 were new PRH if HA decided to regularize GSH. Mr LEUNG Yiu-chung enquired whether the proposal of regularizing GSH would reduce the number of new PRH units available for allocation to PRH applicants. He considered that it would be discriminatory for the Administration/HA to allocate to the WL applicants the PRH units vacated by existing tenants.
- 25. <u>STH</u> replied that the Administration had not changed the target of providing 200 000 PRH units in the ten-year period from 2017-2018 to 2026-2027. To meet the target, HA would continue to build new PRH units. <u>STH</u> explained that as PRH units surrendered by purchasers of GSH flats might be located at different regions throughout the territory, PRH applicants would enjoy greater choices of PRH units in terms of location.
- 26. The Chairman said there was the concern that purchasers of GSH flats would be those tenants of small PRH units who wished to move to flats of larger sizes and hence the PRH units surrendered by purchasers of GSH flats for reallocation to WL applicants would be smaller ones. She requested the Administration to provide information on how the Administration/HA would address the above concern in its planning for the production of PRH to cater for households of different sizes.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)696/17-18(01) on 14 March 2018.)

## **Subsidized housing**

27. Mr KWOK Wai-keung said that buyers had difficulties in obtaining loan financing for purchase of the flats aged 17 years or above in the HOS Secondary Market. He enquired whether the Administration would develop measures to address the buyers' difficulties in obtaining loan financing for purchase of these flats. STH responded that the Administration would follow up the matter with Mr KWOK after the meeting.

28. <u>Dr CHENG Chung-tai</u> enquired whether the Administration/HA would accept a PRH or HOS application from an owner of a GSH flat or "Starter Homes" unit who was unable to continue to afford the home mortgage payments. <u>Ms Tanya CHAN</u> asked about the policies in place regarding the issue raised by Dr CHENG. <u>PS(H)</u> replied that under the current policy on prevention of double housing benefits, a person who was already in possession of a subsidized flat was not allowed to receive public housing benefits. The Administration would study whether and how the policy would be applied to GSH flat owners if the scheme was regularized after HA's review of GSH.

#### Well-off Tenants Policies

- 29. Mr Wilson OR opined that HA should have conducted a comprehensive public consultation on the revised Well-off Tenants Policies ("the revised Policies") before implementing them in October 2017. He enquired whether HA would review the items to be regarded as assets of PRH households when it required them to make income/assets declarations. Mr CHAN Han-pan opined that the revised Policies were not of much help in recovering PRH units for allocation to WL applicants, but would cause disturbances to PRH households. The Administration/HA should instead focus its efforts on developing measures that could effectively address the housing problems. Mr CHAN Chi-chuen expressed concern that HA would lower the income and asset limits so that more households would be classified as well-off tenants and they would be left with no choices but to purchase GSH flats.
- 30. Mr KWOK Wai-keung said that the Hong Kong Federation of Trade Unions all along requested the Administration and HA to defer the implementation of the revised Policies in view of the limited supply of GSH flats. He opined that the revised Policies might prompt the affected households to delete family members from the tenancy, and might hence generate additional demand in the residential property market and exert pressure on flat prices and rentals.
- 31. Mr HO Kai-ming said that under the revised Policies, PRH tenants with household income exceeding five times of PRH income limits ("PRHILs"), or with assets exceeding 100 times of PRHILs were required to vacate their flats. Taking a four-person well-off household comprising two adult children as an example, assets at 100 times of the PRHILs, i.e. about \$2.7 million, might be insufficient for the household to meet their financial needs if, because of the revised Policies, the children were required to move out and find private accommodations. To dovetail with the implementation

of the revised Policies, the Administration/HA should have provided adequate GSH flats that suited the needs of the households affected by the revised Policies.

32. STH replied that the revisions to the Well-off Tenant Polices concluded the relevant discussions over the past few years including those conducted in the Panel and HA. The revised Policies were implemented starting from the declaration cycle in October 2017, and it would take about a year for HA to arrange and process the relevant income/assets declarations. The Administration understood that the revised Policies would inevitably affect certain PRH tenants. As PRH units were precious public resources and well-off tenants should be able to take care of their own housing needs, it was appropriate for HA to recover the PRH units from them for allocation to those with more pressing housing needs. As far as a four-person household was concerned, a household with assets of about \$2.7 million or with income equivalent to five times of the PRHILs, i.e. about \$130,000, was in a much better economic position than that of most WL families and households in subdivided units. PS(H) advised that HA would first arrange and process income/assets declarations for about 1 000 households, and starting from April 2018, for other households concerned. In its future review on the implementation of the revised Policies, HA would take into account members' views on the revised Policies and the experience gained from the income/assets declarations.

## Provision of facilities in common areas of public rental housing estates

33. Mr CHAN Han-pan enquired how the Administration would resolve the situation that projects to enhance the barrier-free accessibility in PRH estates could not be taken forward because the common areas of the estate concerned were co-owned by HA and Link Real Estate Investment Trust and the latter often raised objections to such projects. PS(H) replied that the Administration understood members' concerns on the matter, which had been previously discussed at meetings of the Panel.

## Starter Homes Pilot Scheme

34. Mr CHAN Chi-chuen asked whether the Administration had ever assessed the feasibility of providing "Starter Homes" units on a private land at Tung Tsz, Tai Po. He said that there was a case where a developer submitted an application in May 2017 to the Town Planning Board for developing subsidized housing and private flats on a green belt site which involved unauthorized developments. Developers who had made unauthorized use of or destroyed their own land might take advantage of the

"Starter Homes" Pilot Scheme to secure the relevant approval for changing the use of the land to residential purposes. Mr CHAN considered it important for the Administration to ensure that the land sites for providing "Starter Homes" units were in compliance with the relevant land lease conditions and any applicable laws and rules. He further enquired whether the Administration would conduct public consultation on the "Starter Homes" Pilot Scheme.

35. <u>STH</u> replied that land supply for providing "Starter Homes" units would be from sites already owned by private developers or to be bought from the Government under the Land Sale Programme. The Government's initial thinking was to incorporate provisions into the land lease to require developers to pursue mixed developments, i.e., to design, build and offer for sale a specified number of "Starter Homes" units in addition to private housing units, and to sell these units to target buyers who met the eligibility criteria set by the Government. The Administration undertook to relay Mr CHAN's views and concerns to DEVB for consideration when drafting the land lease conditions.

#### Motions

36. <u>The Chairman</u> referred members to the following motions, which she considered relevant to the agenda item –

Motion moved by Mr Wilson OR and Mr LAU Kwok-fan:

"本事務委員會要求政府確保繼續興建出租公屋單位,反對為整體出租公屋單位數量"封頂",並兌現公屋輪候冊申請人平均"3年上樓"的承諾,而未達至上述目標前應致力按《長遠房屋策略》目標平均每年供應2萬個新的出租公屋單位。"

## (Translation)

"This Panel requests the Government to ensure that the building of public rental housing ("PRH") units will be continued, and objects to "the setting of a ceiling" on the overall number of PRH units. This Panel also requests the Government to honour its pledge that on average, a Waiting List applicant will be allocated a PRH unit within three years, and before the aforesaid target is achieved, it should be committed to providing an average of 20 000 newly-built PRH units per annum in accordance with the target set out in the Long Term Housing Strategy."

37. <u>The Chairman</u> put to vote the motion moved by Mr Wilson OR and Mr LAU Kwok-fan. 11 members voted in favour of the motion, no members voted against the motion, and no members abstained from voting. <u>The Chairman declared that the motion was carried.</u>

Motion moved by Mr SHIU Ka-chun:

"本事務委員會要求政府解釋就特首林鄭月娥接受報章訪問時提出:"出租公屋由 76 萬增至 80 萬足以照顧基層家庭,未來大部分新建公屋轉成綠置居",當中 80 萬的數字根據從何而來。"

## (Translation)

"Regarding the remarks made by the Chief Executive Mrs Carrie LAM in a press interview that "the increased provision of public rental housing ("PRH") units from 760 000 to 800 000 is sufficient to cater for the needs of grass-roots families, and the majority of the newly-built PRH units will be converted to flats for sale under the Green Form Subsidised Home Ownership Scheme", this Panel requests the Government to explain the basis on which the figure 800 000 was arrived at."

38. <u>The Chairman</u> put to vote the motion moved by Mr SHIU Ka-chun. 11 members voted in favour of the motion, no members voted against the motion, and no members abstained from voting. <u>The Chairman</u> declared that the motion was carried.

(*Post-meeting note*: The wordings of the motions passed were issued to members vide LC Paper Nos. CB(1)154/17-18(01) and (02) on 2 November 2017 and were provided to the Administration on the same date. The Administration's response to the motions was issued to members vide LC Paper No. CB(1)317/17-18(01) on 4 December 2017.)

## II. Any other business

39. There being no other business, the meeting ended at 4:30 pm.

Council Business Division 1
<u>Legislative Council Secretariat</u>
28 March 2018