

Meeting of the Housing Authority held on 27 January 2000
Speaking Notes by the Hon Rosanna WONG,
Chairman of the Housing Authority

Assuming responsibility and conducting thorough investigation

Dear Members,

I fully appreciate the community's concern over the recent incidents related to the quality of public housing and the pressure brought to bear on you. I would like to take this opportunity to express my views on the matter and elaborate the follow-up actions to be taken.

First of all, I would like to reiterate that it is incumbent on the Housing Authority (HA) to provide safe and suitable accommodation for the public. Structural safety and the interests of residents will always be on the top of our agenda. As a responsible and highly transparent public organisation, HA will never dodge problems and cover things up. We are totally committed to solving any problem identified. We will give you a detailed account if quality problem is found in any housing project.

To ensure that all the piling works underway meet the expected safety standard, the Housing Department (HD) has been working with an independent consultant to speedily re-check the piling works of 106 uncompleted sites through site investigation and checking of works records. It is expected that the re-checking work will be completed in early March and the results will then be made known to the public. I hope that the community's concern over the foundation safety of public housing will be addressed upon completion of the inspection. I fully understand that there might still be conjectures and anxieties before the results are available. HD will therefore complete the re-checking as soon as possible to clear the air.

The discovery of short piles at the HD's development at Area 14B in Yuen Chau Kok Shatin comes as a shock both in terms of magnitude and gravity. We will not tolerate any unruly elements who deliberately commit an offence without any regard for public safety. HD is currently carrying out coring test to all the piles and finalizing its assessment on the seriousness of the case. I can assure you that building safety and the interests of residents will be our main concerns in considering any follow-up actions. We do not rule out the possibility of pulling down the blocks in question when sufficient evidence is gathered. HD will come to a final decision by early March and details will then be made known to Members and the public.

The faulty piling work may not only be hazardous to the structural safety of the blocks in question, but also incur great financial losses in many respects. We are outraged by such a serious and organized irregularity and have to give it our severest reprimand. I have already proposed an immediate ban on the contractors concerned from other HA's projects. Upon completion of a full investigation, the parties involved will be subject to heavy penalty depending on their degrees of

involvement and liability. For the contractors, 'permanent ban' from HA's future works is one of the possible penalties. We shall not only claim for all the damages but also look into the criminal liability involved.

It is extremely regrettable that HD staff are implicated in the suspected corruption case and that the HD's monitoring mechanism failed to check the malpractice. The Authority have to draw a lesson from it and carry out an overall reform of the HD itself as well as every part of the housing production process. At this critical moment in particular, we can decline no responsibility but go all out to find out the crux of the problem, look for solutions and make a clean breast of it.

To draw a lesson from the Yuen Chau Kok Incident, I suggest the Authority to immediately set up an independent investigation panel. To ensure its independence, the panel will be composed of non-HA/HD members. It will conduct an in-depth investigation as soon as possible to find out the causes of the problem and the areas of responsibility. It is expected that the panel will complete its investigation within 3 months and submit its report to the Authority. I shall then submit, in the capacity as the Chairman of the Authority, the report together with the investigation report for the site concerned to the Chief Executive and the Legislative Council, and explain to the public the whole story of the incident. Should any HD staff, irrespective of their rank, be found having neglected their duties, the cases will all be handed over to the Civil Service Bureau for full investigation and disciplinary action.

Many people have queried why we have not arranged an immediate demolition of the two blocks in question. I share your wish for a speedy settlement of the incident, with those involved brought to justice. To gather sufficient evidence to shed light on where the problem lies and who to hold accountable so that those involved will have no excuse for shirking responsibility, we shall carry out comprehensive coring tests to all the remaining piles. As the case might involve extensive litigation and stupendous sums of damages, we should on no account act rashly. However, I can assure you that once full evidence has been obtained, we shall take immediate and decisive actions to safeguard public interests.

Over the past few weeks, Members have stuck to their guns without flinching in face of much public criticism. Criticism is hard to swallow, but it is the driver for change. I am deeply indebted to you for the solidarity you show and the trust you have in the Authority. Your unflinching support has made us all the more determined to press on with the reforms.

We have just finished a comprehensive review on the public housing production process, and incorporated a 4-pronged reform strategy with forty major recommendations into a consultative document entitled "Quality Housing : Partnering for Change". Subject to Members' endorsement of the said document today, we shall proceed to consult the construction industry and the public before finalizing the recommendations.

We must apply the right solutions to any problems found. In addition to addressing immediate issues, we shall have to prepare fully for uplifting building quality in the long term. To make the consultation exercise a real success and given the need for working out the details of implementing the recommendations, I propose that a task force be set up to follow through the consultation process and draw up a specific time-table for implementation of the proposed measures. This will ensure that each recommendation is carried through consistently and that the public will have

a clear picture of the progress made and the effectiveness of the measures taken.

Lastly, supervision by the HD is an extremely important aspect targeted by our reforms. While the consultation is underway, we shall appoint an independent consultant to examine fully the housing production line of the HD, including such areas as supervision, accountability and efficiency, and to explore ways and means of improvement. The purpose is to ensure that our executive arm is healthy and highly efficient.

To Members and the community alike, I wish to reiterate HA's resolute determination to enhance the quality of public housing. When problems are identified, we are the wearer who knows where the shoe pinches. At the same time, we feel duty-bound more than anyone else to address the problems. 'Repent what is past, avoid what is to come', as the saying goes. We hope the introduction of reforms would be a turning point from which we would assume a more liberal, cool-headed and responsible manner in solving problems, adopt a more practical, resolute and pro-active approach to bring about changes, and reaffirm our continuous commitment to providing quality homes for the people of Hong Kong.