

**Address by the Governor,
Sir David Wilson, KCMG,
at the opening of the 1990/91
Session of the Legislative
Council on 10 October 1990
(extract on Housing)**

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A. SOCIAL INFRASTRUCTURE

(a) Housing

31. Let me now turn to the specific areas in which Hong Kong families can expect to see major improvements during the next decade. I will start with housing. By the year 2000, it is likely that two out of every three families will own their own homes. This is an encouraging trend. It means greater family cohesion; deeper commitment to Hong Kong; and the reinforcement of individual responsibility and self-respect.

32. A more immediate aim is to eliminate the squatter problem. Over the next five years or so, we will be able to clear most of the squatter huts from the urban areas. This will be a great achievement. All of us here can remember the squatter-crowded hillsides of the 1960s and 1970s. We should also have rehoused the majority of families living in temporary housing.

33. These are ambitious goals. To achieve them, we will need to build some 430,000 new public housing flats by the year 2000. We are currently on target. Last year's

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public housing production reached the record number of 53,000 flats. We expect to achieve a similar performance this year.

34. As I have already pointed out numbers alone are no longer the yard-stick for public services. Quality counts more and more. The last blocks of the Mark I and II estates, built nearly 30 years ago, will be demolished next year. The flats now being built are 10% larger on average than their immediate predecessors, and four times the size of the old Mark II units. They have a full range of community facilities, set out in a pleasant and carefully planned environment. Rents may need to be increased in line with the community's growing prosperity; but they will continue to be fair and affordable.

35. In the public sector housing programme, we must respond to the wish of more and more of our families to own their own homes. More than 100,000 families are already living in flats built under the Home Ownership Scheme and the related Private Sector Participation Scheme. By the end of the decade, the number of flats built under these schemes will have more than trebled to 350,000. The years ahead

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will also see the Housing Authority offering good quality rental units for sale to sitting tenants. And the Home Purchase Loan Scheme will continue to help more of the Authority's tenants to buy their own homes.

36. But the demand for better-designed and more spacious flats, increasingly owner-occupied, cannot be met by the Government alone. Indeed, it would be wrong for this responsibility to fall on the public sector as heavily as it has in the past. So we look to a further expansion of the private sector's contribution. By the end of the decade, we expect the private sector to be producing nearly half of all new housing in Hong Kong.

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