

2009-10 Policy Address

Breaking New Ground Together

 Search

繁體 | 简体

● Policy Address

Policy Agenda

Highlights

Webcast

Press Releases

TV Announcements

Archives

Contact Us

Policy Address

Real Estate Market

5. The local real estate market has not been as seriously affected in the past year as in the 1997 financial turmoil. After a brief downward adjustment, property prices have returned to their mid-2008 levels. Except for luxury flats, property prices are still below their peak in 1997. The home-purchasing power of the public is greater than in 1997, and the number of negative equity cases remains very small. A steady property market can prevent property owners from being hit doubly hard during an economic downturn. The relatively small number of residential units completed and the record prices attained in certain transactions this year have caused concern about the supply of flats, difficulty in purchasing a home, and the possibility of a property bubble. The Government will closely monitor market changes in the coming months. When necessary, we will fine-tune the land supply arrangements and discuss with the Urban Renewal Authority and MTR Corporation Limited with a view to quickening the pace of bringing readily available residential sites to the market.

Role of the Government

6. The global economic crisis has dealt a great blow to most governments and communities. We have to revisit the Government's role in promoting economic development. The Task Force on Economic Challenges (TFEC) set up last year recommended the development of six industries where Hong Kong enjoys clear advantages. They are: education services, medical services, testing and certification, environmental industries, innovation and technology, and cultural and creative industries. The Government has accepted the TFEC recommendations and is developing specific measures for promoting the six industries. Our strategy is to remove barriers to these industries and help them tap into new markets. We will adhere to the principle of "Big Market, Small Government".

[Contents](#) | [Next](#)