

HONG KONG:

TODAY'S SUCCESS, TOMORROW'S CHALLENGES

(extract on Housing)

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HOUSING TO SERVE SOCIETY

57. Another important investment for the future is our housing. Our public housing programmes are among Hong Kong's greatest achievements. Over the last four decades, we have created an impressive supply of decent, affordable public housing, which has steadily improved in terms of design and facilities over the years. That is a considerable feat, a great tribute to all involved and the envy of many other cities in the world. But as most of your postbags tell you, and as my visits to districts tell me, there's a great deal more to do.

Meeting Demand

58. The Housing Authority has not only met, it has actually beaten, the targets I set out in last year's Address by producing an average of 140 units per day against the objective of 100, and by rehousing 12 000 temporary housing area (THA) residents this year. This means that we may well be able to do better than our original target over the next three years and, hence, offer flats to all current THA residents by 1997. By 1996, we should also be able to clear the THAs built before 1984.

The Quality of Management

59. For over 40 per cent of our population, life in Hong Kong means life in a public housing estate. Our quality of life as a community is very much to be judged by the quality of life on these estates.

60. I have asked the new Chairman of the Housing Authority to consider the following proposals:

- improved commitments to prompt repairs and higher standards of maintenance;
- improved security measures on the estates; and
- a long-term commitment to higher quality housing management.

Home Ownership

61. Over the years, Members of this Council have drawn attention to the special difficulties of the sandwich class in becoming home owners. Last year,

I announced a major initiative to help this group to buy its own homes. The first phase of the interim low-interest housing loan scheme has been launched and went well. It was oversubscribed three and a half times, a very good start. Planning is in hand for the production of flats under the longer term scheme, to be ready for sale in 1995. But the price spiral for private residential flats is still making it too expensive for many first-time buyers to enter the market. We will continue to discourage speculation.

62. An immediate practical measure is to speed up processing of private sector housing projects. We intend to give additional staff to the Lands Department in the coming year to improve processing time for lease modifications and land exchanges. That way, an extra 2 000 flats-on top of the current 15 000 or so-should reach the market each year.