

## LEGCO QUESTION NO. 12

(Written Reply)

Asked by the Hon CHEUNG Hok-ming      Date of meeting: 1 June 2005

Replied by: Secretary for Housing,  
Planning and Lands

### Question

It has been reported that, as revealed by its Chairman on the 11th of last month, the Government had consulted the Real Estate Developers Association of Hong Kong on resuming scheduled land auctions. In this connection, will the Government inform this Council whether:

- (a) it plans to resume scheduled land auctions in the near future; if so, of the reasons for that and the details of the plan (including the number of land auctions to be held each year, as well as the proposed number of sites to be put up for auction and their sizes); if not, the reasons for that; and
- (b) it will consult this Council and the public before deciding whether scheduled land auctions should resume?

### Reply

Madam President,

First of all, I would like to reiterate that the Government had not consulted the Real Estate Developers Association of Hong Kong on resuming scheduled land auctions. My reply to the two-part question is as follows:

- (a) On 13 November 2002, the Government announced a package of measures to stabilize the property market, which included stopping scheduled land auctions. Since January 2004, the sale of Government land has mainly been triggered from the Application List System. Recently, some stakeholders in the real estate sector requested the Government to resume scheduled land auctions to complement the Application List System. However, others were of the view that the current Application List System, which had been working well, should not be changed at the moment, and

believed that it should suffice for the Government to consider exercising certain flexibility in accepting the trigger price, so as to make it easier for the sites on the Application List to be successfully triggered. In considering these views, the Government should at the same time ensure the clarity and predictability of policy, so as not to confuse the market by giving the impression that policies could be changed easily, which will not be in the interest of the stable and orderly operation of the market.

- (b) We will keep a close watch on the trend and development of the market and listen to the views of all concerned, including those of the Legislative Council and members of the public, so that our mechanism is appropriate to the circumstances of the time.