

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

HPLB(PL)095

Question Serial No.

1680

Head: 91 Lands Department

Subhead(No. & title):

Programme: (1) Land Administration

Controlling Officer: Director of Lands

Director of Bureau: Secretary for Housing, Planning and Lands

Question: The estimated cost for acquisition/clearance in 2004 is more than \$2,190 million, representing an increase of nearly 53% when compared with the actual cost of 2003. Please give reasons for the increase.

Asked by: Hon. YEUNG Yiu-chung

Reply:

The actual total acquisition/clearance costs in 2003 are \$1,434 million whilst an estimate of \$2,192 million has been planned for these costs in 2004. The increase is mainly due to the deferral of compensation claims arising from Penny's Bay Reclamation from 2003 to 2004 in respect of which the Lands Department has made an allowance of \$1,061 million. This amount is now carried forward to the 2004 estimate.

Signature _____

Name in block letters PATRICK L C LAU

Post Title Director of Lands

Date 26 March 2004