

Speaking Note for SHPL

Special Finance Committee Meeting on 15 March 2006

Madam Chairman,

I wish to take this opportunity to brief Members on our work in the Buildings, Lands and Planning policy area in the coming year and our main focus on priority tasks.

Land Supply

2. On land supply, our policy objective is to provide sufficient land to meet the development needs of our community. In drawing up the Application List, we will make available, for application by developers, sites located in various districts, for different uses and of various sizes. To ensure that the Application List meet the market needs, we sought the views of the Real Estate Developers' Association late last year on sites for inclusion in the list. We value their input and will take into account their views where feasible and appropriate. As the 2006-07 Application List will be announced shortly, I do not propose to go into details here. Application List aside, developers may acquire land

through various means, including purchasing land in the private market, acquiring and assembling existing properties for redevelopment, seeking lease modification for sites in hand for development and participating in property development projects of the two railway corporations and the Urban Renewal Authority. We will monitor the situation closely and co-ordinate the tendering of railway property development projects.

Planning for Hong Kong

3. Strategic town planning provides an important framework for the future development of Hong Kong. To this end, we have embarked on the HK2030 : Planning Vision and Strategy Study. The Study is approaching its final stage. We shall formulate a planning strategy for the future development of Hong Kong. It aims to broadly assess the land requirement, location, timing, the necessary infrastructure and environmental impacts of various developments in the next 20 to 30 years.

West Kowloon Cultural District

4. As for the development of the West Kowloon Cultural

District (WKCD), as the Chief Secretary for Administration briefed the Legislative Council last month, our first and foremost task would be to re-examine, on the original planning basis for the facilities, with a view to re-confirming the need for the Core Arts and Cultural Facilities therein and to formulate an alternative development approach for taking forward the project. To this end, the Government is establishing a new consultative setup to listen to the views of the arts and cultural sector as well as the entertainment and tourism industries, with a view to re-confirming the need for the performance venues and museums in the WKCD. Our objective of developing a world-class integrated arts, culture and entertainment district remains unchanged.

Building Safety and Maintenance

5. Encouraging owners to properly maintain their buildings, remove unauthorized building works (UBWs) and ensure building safety will continue to be our key area of work in the coming year. To further step up the work of Buildings Department (BD) in ensuring public safety, we have allocated \$830 million for five years starting from 2006-07 to further combat UBWs and enhance enforcement.

6. In order to address the building neglect problem in the long

run, we launched a public consultation on Mandatory Building Inspection in October last year. Today is the last day of the consultation period. We have so far received more than 200 written submissions. In addition, the Government and some organizations have separately conducted telephone surveys during the consultation period. The views received from different channels have pointed to a general community consensus for mandating owners to inspect their buildings. There is also a majority view that owners should bear the necessary cost of building repair. In the coming months, we will consolidate and analyze the views received in formulating the basis to take forward the scheme.

Urban Renewal

7. We will prepare for the review of the Urban Renewal Strategy (URS) in 2006/07. This is a complex subject involving a great number of stakeholders. We consider it necessary to allow more time for the URA to accumulate adequate operational experience in order to carry out the URS review effectively. We and the URA will consult different sectors of the community with a view to ensuring that our urban renewal efforts will better meet the community's aspirations.

Expenditure on Buildings, Lands and Planning

8. To implement the policies on Buildings, Lands and Planning, we estimate that the public expenditure for this policy area in 2006-07 will be \$8,909 million, representing 3.4% of the total public expenditure. Compared with 2005-06, the allocation from my Operating Expenditure Envelope to the policy areas of Building, Lands and Planning in 2006-07 has been increased by \$258 million from \$2,954 million to \$3,212 million, i.e. an increase of 8.7%.

9. In the coming year, our group of departments will continue to pursue our various policy initiatives and to adopt measures including re-engineering and re-prioritising so as to enhance the value of our services to the community. We shall review and simplify land lease conditions. We shall also examine possible ways to centralize the inspection and enforcement functions of our departments, with a view to further enhancing service delivery.

10. My colleagues and I will be happy to answer any questions that Members may wish to raise. Thank you, Madam Chairman.