

## **HKIS Views to 2015 Policy Address**

The Chief Executive of the HKSAR delivers his 2015 Policy Address today. The Hong Kong Institute of Surveyors (HKIS) believes the Policy Address has considered the overall land and housing supply issues, with a comprehensive housing policy to increase public and private land and housing supply in Hong Kong. The HKIS supports the direction of land and housing measures. In the meantime the Government should expedite the use of existing land and housing resources to balance the needs of stakeholders. The community should work together, to maintain sustainable development in Hong Kong.

### **Housing**

The Government plans to construct 77,100 units of public rental housing for the next 5 years from 2014-2019. For the next 10 years, the Government targets about 20,000 units each year. The HKIS supports the plans and urges the Government to begin land planning as soon as possible so as to achieve the target and hence meet the community's needs. However, the number of public rental housing units scheduled for completion during the first 5 years is "less than 40%" of the ten-year target. The Institute concerned that the target of 200,000 units each year for the next decade may not be attainable.

The HKIS supports the Government's efforts to offer more home ownership opportunities by increasing the housing supply. The Urban Renewal Authority should assume the role in acquiring and integrating the land use and, consider cooperation with other housing-related organizations to explore new lands for public housing needs. The HKIS also supports the pilot scheme in different forms of subsidised sale flats Details and timetables of which should be finalized as soon as possible in order to facilitate the circulation of public rental housing, and better integrate overall housing resources.

In addition, the HKIS agrees to explore ways to further leverage the private sector's capacity to assist in increasing the supply of subsidised sale flats. We believe that there are currently problems with the management of the mixed development pilot schemes. The Government should cautiously study the details of the schemes before exploring further.

### **Control of New Subdivided Units**

The HKIS supports the government to enhance inspections and enforcement actions on sub-divided units. However, new subdivided units are still rapidly evolved since last year, which may be caused shortage of restrictions and control.

#### **總辦事處 Head Office**

香港上環干諾道中111號永安中心12樓1205室  
Room 1205, 12/F Wing On Centre,  
111 Connaught Road Central, Sheung Wan, Hong Kong  
Telephone: 2526 3679 Facsimile: 2868 4612  
E-mail: [info@hkis.org.hk](mailto:info@hkis.org.hk) Web Site: [www.hkis.org.hk](http://www.hkis.org.hk)

#### **北京辦事處 Beijing Office**

中國北京市海澱區高樑橋斜街59號院1號樓  
中坤大廈6層616室 (郵編: 100044)  
Room 616, 6/F, Zhongkun Plaza, No.59 Gaoliangqiao Xiejie,  
No.1 yard, Haidian District, Beijing, China, 100044  
Telephone: 86 (10) 8219 1069 Facsimile: 86 (10) 8219 1050  
E-mail: [info-bjo@hkis.org.hk](mailto:info-bjo@hkis.org.hk) Web Site: [www.hkis.org.hk](http://www.hkis.org.hk)



If the Government cannot prevent the proliferation of subdivided flats at their source, it will be difficult to deal with the issue. The HKIS suggests the Government to impose specific measures to deal with the problem of subdivided units, including exploring the provision of transitional accommodation to cope with the measures.

### **Short and Medium Term Land Supply**

In the "Policy Address", the "short-term housing land supply" seemed to lack a clear description when compared with those on "medium-term land supply". The supply of land for public and private housing in coming five years mostly depends on the smooth planning for and development of new development areas in the New Territories. Otherwise, the 10-year housing supply targets will not be easily attained. At this critical moment, the Government should streamline outdated procedures to facilitate the development of such areas. The public also should prioritise the benefits of the community and support the implementation of development areas.

The HKIS supports the Government to relax, when appropriate, its development intensity in order to optimize land use and expedite land supply for short-medium term housing. However, the Government needs to improve and comprehensively assess the relevant transport and supporting facilities. The HKIS supports the Government to conduct land use reviews, including examining government sites to release the appropriate land for housing development. The HKIS stands ready to provide the Government with its professional opinions.

The HKIS strongly supports the Pilot Scheme for Arbitration on Land Premium. We have developed a List of Professional Valuers for this Pilot Scheme and look forward to seeing developable lands created through this initiative.

### **Long Term Land Supply**

Overall, the HKIS supports the Government's long term land supply strategy. We believe that the strategy should be supported by comprehensive infrastructure and transportation facilities, while striking a balance between construction and environmental conservation. The HKIS proposes that the Government should regularly update its progress in land development and the challenges it faces, so that the general public and the Legislative Council can stay informed. The Government should also consult the public and industry about the newest plans as soon as they develop.

For the Government to provide a steady supply of land to the society, the HKIS believes that green-belt zones, reclamation of land outside Victoria Harbour, the use of underground space in urban areas or caverns, should be seriously considered. As a reputable and responsible professional body on land, housing and the construction industry, the HKIS is ready to assume an important and responsive consultative and monitoring role in all this.



### **Development of the Construction Industry**

The HKIS supports the Supplementary Labour Scheme and believes that the scheme should be further enhanced to address the acute manpower shortage in the construction industry. Yet, while the supply of skilled workers remains small, the industry still has doubts over the scheme's effectiveness. Thus, we suggest the Government to consider providing additional resources at the professional and technical levels to strengthen our labour workforce and putting additional resources to the surveying discipline organized by recognized tertiary institutions and universities immediately to cater for the society's needs.

### **Land, Management and Planning**

The HKIS suggests that the Government to implement measures that further develop Spatial Data Infrastructure (SDI), which is a platform for integrating and delivering information from different sources. It is an important tool for providing unified and accurate land data to government departments. The HKIS also supports the "Digital 21" strategy and the development of the "Internet of Things", which we believe that will facilitate the development of innovative services with advanced information technology and play a key role in various scopes of the city's development, so as to promote Hong Kong as a "Smart City". In addition, determining land boundaries is essential for protecting the rights and interests of the Government and property owners. The HKIS supports amending the related ordinance and providing a legal framework to allow property owners to ascertain the extent of their properties through determination of land boundaries.

### **Commercial and Economic Land Uses**

To maintain a steady land supply for different types of uses is essential to the city's sustainable development. We are pleased to note the Government's initiative to diversify its land planning and developments and welcome the release of more commercial floor area and commencement of a preliminary study of the East Lantau Metropolis.

### **Public Project Developments and Professional Supports**

The HKIS welcomes the Government's allocation of resources for the development of major infrastructure projects in recent years. However, the city's social resources, particularly skillful labour force, still cannot cope with the needs of these substantial projects. Hence, the Government should invest in sizeable building construction projects that would provide a unique and sustainable platform for the continued growth and development of local professional firms and contractors, and provide facilities to attract sufficient new blood to enter the construction industry thereby making possible the industry's sustainable development.

For infrastructure projects under the current Government form of contract for Civil Engineering Works, the Engineering Consultant handles all design, contract administration and cost control functions. We consider that the Engineering Consultant is acting as both "the judge and the accused" when evaluating any claims submitted by the Contractor arising from his design or instructions. The Engineering Consultant may not be seen to be neutral and



impartial in carrying out these conflicting roles in design and cost ascertainment. Furthermore the wide spread public use of New Engineering Contract (NEC) by the Development Bureau for Public Works projects (including building construction) has the same problem as the Project Manager under the NEC shall assume the above mentioned conflicting roles.

It should be noted that the spirit of the NEC is based on collaborative approach by the contracting parties (i.e. the Employer and the Contractor). A collaborative approach may not be seen to have too much problem in the private sector. However it would be considered as unjust when public money is expended in Government funded Public Works projects. It may also unnecessarily increase the risk of collusion among stakeholders of the project. We suggest the Government to appoint independent cost consultants (who may be Engineering Consultants, Cost Consultants or Quantity Surveyors) to improve the cost control and contract management of these Public Works projects.

### **Waste Management**

As for waste reduction at the source, the HKIS supports quantity-based charging for the municipal solid waste scheme. The Government should adopt a fair, impartial and feasible charging mechanism, by including all buildings and applying a polluter-pays principle.

### **Promote Professional Services**

The HKIS welcomes the implementation of Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), through which many professional service sectors, including surveying, can enjoy preferential access to the Mainland market. The HKIS suggests that the Government should set up a "Liaison Unit", to provide administrative support and actively assist Hong Kong SMEs in the professional services industry to access the Free Trade Zone and foster the development of professional services in China.

### **Intellectual Property**

The HKIS champions Hong Kong's role as Asia's Central Business District for the global economy. The HKIS members are experts in IP management, valuation and dispute resolution. We can provide professional advices on a range of related services.

### **Nature Conservation and Historic Buildings**

The HKIS supports the conservation of historical buildings and hopes that the Government, in strengthening the conservation of private land and historical buildings with high conservation value, actively provides assistance and funding. This is to encourage private landowners to provide proper maintenance and repair for their buildings, so that the goal of more comprehensive heritage conservation is achieved.



## **Conclusion**

To implement the proposed measures and proposals in the “Policy Address”, the Government should step up such conservation efforts only when there is coordination between Government departments and the relevant stakeholders.

— ENDS —

## **About the Hong Kong Institute of Surveyors**

Established in 1984, The Hong Kong Institute of Surveyors is the only professional organization representing the surveying profession in Hong Kong. As of 1 August 2014, the number of members reached 8,927, of which 6,049 were corporate members. The Institute's work includes setting standards for professional services and performance, establishing codes of ethics, determining requirements for admission as professional surveyors, access and award the professional qualification, and advance members' professional knowledge, technical and services standards through continuing professional development.

The Institute has an important consultative role in government policy making and on issues affecting the profession. We have advised the Government on issues such as unauthorized building works, building safety campaign, problems of property management, town planning and development strategies, construction quality and housing problems. We are working on amendments to standard forms of building contract and have issued guidance notes on floor area measurement methods.

For more details, please refer to HKIS website: <http://www.hkis.org.hk>.

### **Media Enquiry**

Ms Karen Tam  
Manager – Corporate Communications  
The Hong Kong Institute of Surveyors

Tel: +852 2526 3679  
Fax: +852 2868 4612  
Email: [media@hkis.org.hk](mailto:media@hkis.org.hk)