

## Chairman's Message

### “Inherit the Past, Build for the Future.”

“Inherit the Past, Build for the Future”. This year's theme for our Hong Kong Housing Authority (HA) Annual Report carries special weight in the light of two major anniversaries in 2013, and the publication of an important Public Consultation Report on Hong Kong's Long Term Housing Strategy in early 2014.

What do we mean by “inherit the past”? To understand its significance for the HA, it is worth reflecting on the fact that 2013 marked not only the 40th anniversary of the establishment of the HA, but also the 60th anniversary of the launch of Hong Kong's public housing programme. In the early 1950s, tens of thousands of Hong Kong residents unable to afford basic accommodation were living in primitive squatter huts on undeveloped sites

around Hong Kong. Sixty years on, 40 of which under the care of the HA, those undesirable living conditions of the mid-20th century are largely a distant memory. Today, instead of squatter huts, some 160 well-built, well-equipped, well-maintained public rental housing estates provide lower income families across Hong Kong with decent quality yet affordable accommodation. In total they house some 2 million people, or around one third of Hong Kong's population, in well-designed and landscaped estates, with social amenities and commercial facilities on site or nearby, all managed efficiently and effectively. As a result, many Hong Kong families enjoy the ability to contribute to the life and vibrant development of our city without having to compromise their basic living conditions. It is an achievement Hong Kong well worth takes pride of.

“Build for the future”, on the other hand, is a response to the challenges of living affordably in Hong Kong even today. With housing supply falling behind demand, leading to soaring prices and rents, the pressures on housing affordability have grown in recent years. Lower income families and young people are despairing over the prospect of gaining a foothold on the property ladder. To address this problem, the present Government appointed a Long Term Housing Strategy Steering Committee (under my Chairmanship) soon after coming to office in mid-2012. The Steering Committee released a consultation document in September 2013, proposing a sustainable way forward for Hong Kong’s housing development. Following a rigorous three-month public consultation, the final report was submitted to the Government in February 2014. It proposes a supply-led approach to meet Hong Kong’s future housing needs, with housing supply split 60/40 between public housing and private housing, and includes a number of strategies for increasing housing supply. The Government has accepted the Steering Committee’s recommendation to adopt the proposed new total housing supply target of 470 000 units for the coming 10 years, of which 60% (around 280 000 units) would be public housing including subsidised sale flats. This figure represents a 36% increase over the previous public housing supply target.

Clearly, this has major implications for the work of the HA in the coming decade. The construction programme of public housing units for the coming five years has already commenced, we are now looking at expanding our production output in the second half of the decade, to meet the overall target of 280 000 units for the 10-year period. This is no

easy task. Land must be sourced, funding must be secured, labour must be found, community support must be gained, and planning and design must be expedited. We have already begun work in all these key areas, and in the coming years we will be doing our utmost to ensure that this ambitious vision can indeed be transformed into reality for the people of Hong Kong to extend our success story in public housing.

We are still working on many of the details that will enable us to rise up to the challenge. However, some of our achievements over the past 12 months offer insight into how we will approach the future. We have already developed ways of expediting the design and planning stage of some of our housing projects where possible, as we have shown in the first batch of new Home Ownership Scheme units being built. We have continued to introduce new construction methods during the year, methods often involving the latest technology that are efficient, environmentally sustainable and cost-effective while providing optimum levels of quality and safety for residents. Furthermore, our proven estate management expertise puts us in a good position to expand our operations smoothly and seamlessly. Our management systems, developed over decades and further enhanced through IT upgrades during the year, are comprehensive and well integrated. In other words, the inheritance of the past, suitably enhanced and updated, is providing us with the resources and skills we need to build for the future on an unprecedented scale.

The past year has brought us face to face with many new developments and challenges. Apart from government policy support, the HA has immensely benefitted from the contribution and collaboration of its many visionary and competent Members. Special mention must be made of those who have recently retired; they are Ms Yeung Sin-hung, Ms Christine Fang Meng-sang, Mr Lee Kam-ming, Dr Wong Kwok-keung, Mr Oscar Wong Sai-hung and Ms Christine Yip Kee-ching. I would also like to welcome those new Members coming on board during the year: Mr Chua Hoi-wai, Ms So Ching, Ms Iris Tam Siu-ying, Prof Chan Ka-lok, Dr Brian Fong Chi-hang, Mr David Ho Chi-hoo, Prof Ho Puay-peng, Ms Lusan Hung Lo-shan, Ms Helen Kwan Po-jen, Mr Leung Hing-fung, Mr Alan Man Hoi-leung, Ms Wendy Ng Wan-yea and Ms Scarlett Pong Oi-lan.

Acknowledgement is due to all those who have helped steer the work of the HA through sitting on various Committees and Sub-Committees. Special

thanks go to the Chairpersons of these bodies; they are Prof Bernard Vincent Lim Wan-fung, Chairman of the Building Committee; Mr Michael Choi Ngai-min, Chairman of the Commercial Properties Committee; Prof Raymond So Wai-man, Chairman of the Finance Committee and Funds Management Sub-Committee; Mr Stanley Wong Yuen-fai, Chairman of the Subsidised Housing Committee; Ms Angela Lee Wai-yin, Chairman of the Tender Committee and Mr Winfield Wong Wing-cheung, Chairman of the Audit Sub-Committee.

Before concluding, I would like to add my warm thanks to the management and staff of the Housing Department, the HA's executive arm. Their sterling efforts during the year show that the necessary expansion of our work in the coming years is in good hands. Working together, I am convinced we can overcome the housing challenges currently facing Hong Kong and build a future in which our succeeding generations will find the homes they need through affordable housing.



Professor Anthony Cheung Bing-leung  
Chairman