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5,000 civil servants acquiring their flats

By S Y Yue

MORE than 5,000 civil servants are slowly acquiring ownership of the flats in which they have been living for more than 30 years.

The obsolete type of civil servant housing benefit provided by the Government in the '50s and the '60s are still providing shelter to more than 5,000 staff in 238 co-operative societies.

Ten co-operatives were dissolved by the Executive Council five years ago. Civil servants belonging to these co-operatives are now free to sell their own flats.

As a kind of housing benefit, land was sold to civil servants 30 years ago at one-third the market price.

The civil servants formed themselves into

co-operative societies and pooled money to build flats on the land. Ownership of these flats, however, is in the hands of the co-operatives.

In 1985, the Executive Council approved individual leases for members of the co-operatives.

This would allow each flat owner to acquire legal title to their flats and freedom to make transactions.

It took the Government two years to draw up guidelines for these flat owners to acquire legal titles.

Nine co-operatives have been dissolved since 1987 and the dissolution of one more was recently approved by the Registrar of Co-operative Societies. This will be dissolved if no objection is raised within two months.

Another 42 co-operative

societies have sent in their applications for dissolution.

These co-operative societies have once been the target of developers.

But the complicated process of acquiring flats from individual owners and paying land premium to the Government had cooled their enthusiasm.

Principal assistant secretary for the Civil Service, Gary Yeung, said that if the civil servants sold their flats, they would not be entitled to other housing benefits.

"They can transfer to other types of housing benefits if they surrender the flats they are now living in," Mr Yeung said.

Of the 238 co-operative societies, 139 are located on Hongkong island, 96 in Kowloon and three in the New Territories.

Hotel stay cut for expats

NEWLY-RECRUITED expatriate civil servants will get shorter hotel accommodation while awaiting arrangements for proper housing from October.

Under the new Government housing benefit package, new overseas staff will no longer be eligible for quarters but will be given allowance to rent a flat.

As a rule, expatriate officers are allowed to stay in hotels while looking for proper accommodation.

The Government expects less time will be needed for staff to rent a house in the private sector than to be housed in quarters.

Principal assistant secretary for the Civil Ser-

vice, Gary Yeung, said the shortened period of hotel accommodation would cut Government expenditure in the long run.

Expenditure on hotel accommodation is estimated to hit \$10 million this financial year.

In 1988-89, the Government spent \$4 million in hotel accommodation. This jumped to \$7.8 million last year.

Newly-recruited officers will now have an accommodation allowance of \$13,000 to \$36,000.

At the moment, expatriates can stay in hotels as long as two to three months pending their application for quarters to be approved.

Their applications for quarters will be con-

sidered by the Quarters Allocation Committee which meets once every three weeks.

If their applications are not successful the first time, they will have to wait for three more weeks.

However, the need for expatriates to wait for allocation of quarters will be dispensed with from October.

The procedure for renting a flat in the private sector will be simpler and will take shorter time.

Mr Yeung said they had yet to decide on the exact length of time allowed for hotel accommodation.

"But they will be given a reasonable amount of time to find a flat."