

200 Shamshuipo flat owners protesting rates increases

MORE than 200 members of the Association of House Owners from five streets in Shamshuipo are to petition the Lands Department today.

The petition will protest against a 30 per cent increase on the 1982/83 land premium rates and a five per cent interest charge on late payments.

The members are home owners of Tainam-street, Poplar-street, Cedar-street, Maple-street and Laichikok-road.

According to spokesman Mme Chan Yuk-kwan, the association planned to petition the Governor at Government House as well as the Government Secretariat.

"We demand that the government shelve the increase and the additional charge of interest," she said.

Mme Chan said when the association received the 1982/83 land premium payment note from the Lands Department last November, it discovered that a 30 per cent increase had been levied without any prior notification or consultation.

Demanding an explanation from the government, the group was told that, according to the rent control ordinance, owners may increase rent up to 30 per cent every two years.

"The amount had to be paid before December 5, 1983. We did not pay it because we found it unjustified. Besides, we were not able to pay such a large amount.

"While we have talked with the government, they have started to send us notices that an additional five per cent interest rate is charged for a delay in paying the land premium, and the deadline for the payment of the premium is April 5," she said.

Mme Chan claims the government had promised to conduct an investigation before considering any increase in the premium.

"And they have not done so," she said.

"This is really unbelievable and unjustified," Mme Chan said.

She says that all of the houses on the five streets were 20 to 30 years old, and

as a consequence, it is extremely difficult to ask for high rent.

The government began asking for "huge" premiums on the homes when the leases expired in 1980, says Mme Chan.

"We protested against this and a concessionary payment was granted by the government. And the amount to be paid can be spread out over 21 years," she said.

"Under this scheme — after deducting all the expenses such as rates and maintenance charges — 70 per cent of the remaining money is given to the government as premium and thirty per cent belongs to the owners," she said.

"However, some of the owners still have difficulties in paying the concessionary rate for it is still higher than the total amount of rents collected," she said.

One owner, Mr Ng Che-hang, says he owns six units in a house in Poplar-street and he pays land premiums of \$80,000 a year.