

Action group slams builders' bid to fight curbs

THE Action on Rent Committee has strongly challenged the decision of the Real Estate Developers' Association to lobby against the proposed rent controls.

Committee chairman Ho Sai-chu said yesterday that while the developers' anxiety "could be easily understood", some form of control was needed because spiralling rents had created economic chaos and various social problems.

"Thus I believe the Government is moving in the right direction by taking into consideration the public's interest and the anxiety of the people affected," he said.

However, Mr Ho said the Government might be too hasty in introducing rent controls for all domestic flats as a result of mounting pressure.

In his opinion, it was questionable for the Government to extend rent control to luxury flats.

"The Government also has to reconsider setting the rent increase limit at not more than 21 per cent every two years," he added.

At an emergency meeting on Thursday, the Hongkong Real Estate Developers' Association decided to petition the Umeloo office in protest against the Government's proposals.

The association's president, Henry Fok, said the proposed controls would only benefit big enterprises and the Government at the expense of landlords.

He also said the proposed laws were unfair to landlords, especially those purchasing their property by instalments.

In another reaction, the assistant director of the Hongkong General Chamber of Commerce, T.L. Tsim, said he agreed that some landlord's purchasing their properties by instalments might be hard hit by the rent controls.

"But I believe they form only a very small minority of the landlord population," he said.

"It is necessary to introduce rent controls because rent increases are incredible over the past 12 months," Mr Tsim said.

But he emphasised that the move should only be a stopgap measure or "breathing space" to alleviate the rent fever before the Government allocated more land for the public.

"The root problem lies in the supply of land," he added.

In his view, controlling property speculation would be better than rent control.

"Curbing speculation on domestic property will allow more people to buy flats within acceptable limits, and reduce the demand for rented accommodation," Mr Tsim said.

Meanwhile, angry landlords continued to call up the Standard's Rent Hotline to air their opposition to rent controls.

One of them, Stephen Li, said the controls would make it almost impossible for landlords to resume their property.

He said it was absolutely unfair for the Government

Turn to Page 12 Col. 5

Committee slams bid to fight curbs

From Page 1 Col. 1

to "rob" landlords of their rights to property.

Mr Li owns nine flats, most of them in the Mid-Levels and Stubbs Road. But he himself lives in a 150-square feet flat in Wanchai.

"I have worked hard for the past decade and used all my savings to purchase property. But now, all these have gone," he said.

Another landlord, Lee Man-shiu, said the controls would only hamper Hongkong's development.

"Hongkong's prosperity lies in its free economy, and rent controls would only result in economic recession."

He added that if the

Government decided to extend controls to commercial premises, it would bring the "death sentence" to Hongkong's development.

"By that time, I will close all my business here and go abroad," he added.