

Boost for development

\$5.6 billion budget for new towns

By FRANK CHOI

About \$5.638 billion will be spent in the coming financial year for the continuing development of new towns, representing a healthy growth of 16 per cent.

Of the sum, \$1.557 billion has been set aside by the Government for land acquisition which will be maintained at this year's level.

However, the \$4.08 billion estimated expenditure on capital works for infrastructures and public facilities represents an encouraging growth of 24.4 per cent from this year's revised estimated expenditure of \$3.28-billion.

In view of the massive programmes and enormous investment, the Government is apparently not cutting back its commitments to develop the New Territories as set out in the Layout Plans for individual new towns.

The total estimates took a big slice — about one-seventh of the coming year's estimated expenditure of \$36.8 billion without taking into account public housing programmes.

The Financial Secretary, Mr John Bremridge, noted in his annual Budget Speech that "while the main thrust continues to be in the direction of land production for housing, increased emphasis will continue to be placed on producing community facilities to cater for the needs of the growing population in new towns."

While land acquisition will be maintained at the present level, new town development will undergo a period of consolidation with the major

emphasis on the provision of public facilities and transport links.

The "no-growth" spending on land acquisition does not reflect a halt for new town expansion although it is expected that the Government will gradually cut its spending on land as most new towns, except Taipo, Shek Wu Hui, Luen Wo Hui, twin town and Junk Bay, have already expanded beyond the half-way mark of their full development size.

In fact, the "no-growth" estimate represents a positive increase in land acquisition especially with the property market still at a low level.

Also, the Government will save a hefty sum in land acquisition in the coming year, made possible by a recent review by the Lands Department to cut ex-gratia compensation rate for land resumption in the New Territories from \$48 to \$45.6 per square foot from April 1, after the rate surged to a high of \$103 in 1981.

Of all the categories in capital works, site formation, drainage and engineering works continue to be the leading spender with \$1.6439 billion, accounting for more than one-third of total spending.

A total of 355 hectares of land, mostly in Tsun Wan and Shatin, will be produced for development in the coming year pushing the total to 3,303 hectares due to be ready by March 31 next year.

The seven new towns will have a total population of 1.584 million by March 31 next year, about 47 per cent of the estimated population of 3.344 million when they are fully developed.

Among the new towns, the developed towns — Shatin,

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Tsun Wan and Tuen Mun will spend more on developing public facilities while newly developing towns, including Taipo, Fanling, Yuen Long and Junk Bay, will proportionally spend more on infrastructures, such as site formation and road works.

Shatin continues to lead expenditures on development with \$944.9 million, a 9.2 per cent increase from this year.

Most of Shatin's spending will be on infrastructures including site formation for Ma On Shan and the town itself (\$241.1 million), hospitals and clinics (\$156 million), sewage disposal (\$139.3 million) and road works (\$132.8 million).

The largest increase is for the latest new town — Junk Bay — with a 130 per cent growth rate.

About \$226 million of the estimated \$278.6 million total expenditure will be spent on site formation, drainage and other engineering works.

Tsun Wan is to receive \$875.1 million, a 42 per cent increase.

Major outlays include site formation and engineering works (\$322.9 million), road works (\$311 million) and public facilities (\$194.1 mil-

lion).

Taipo and Fanling (combined) will take \$862.1 million, about 30 per cent more than this year, from the Capital Works Reserve Fund allocation.

The major spending will be on site formation and engineering works (\$291.4 million), and road works (\$331.4 million).

Tuen Mun will also receive a big boost with \$738.5 million, a 27.5 per cent increase with the biggest outlay on site formation and engineering works (\$443.4 million) and public facilities (\$234.1 million).

Yuen Long is the only town to receive less. The total spending at \$304.9 million, representing a four per cent drop from this year's \$317.2 million.

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