

LCQ18: Supply of niches

Following is a question by the Hon Paul Tse and a written reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (May 4):

Question:

It is reported that since the outbreak of the coronavirus disease 2019 (COVID-19) epidemic, the cumulative number of deaths in Hong Kong has exceeded 4 000 and an acute shortage of coffins was once recorded. On the other hand, a report released by the Consumer Council in March this year indicates that the prices of private columbarium niches in Hong Kong have surged, with the most expensive double niche costing up to \$5.2 million. A member of the public has relayed to me that the supply of niches in Hong Kong has long been insufficient, while the waiting time for public niches is long and the prices of private columbarium niches have been on the rise. For private columbarium niches, whilst management fees are payable on top of the prices, it is feared that the period of ownership of some of such niches will not go beyond 2047. This member of the public is worried that the increase in the number of deaths arising from the epidemic will further exacerbate the shortage of niches in Hong Kong and ramp up the market prices of homes for the dead. This member of the public has also criticised that the Private Columbaria Licensing Board's exceedingly slow progress in issuing licences has led to a prolonged shortage of private columbarium niches. In this connection, will the Government inform this Council:

- (1) of the respective numbers of licence applications from private columbaria approved and rejected by the authorities in each of the past four years and since January this year, as well as the number of licence applications being processed currently;
- (2) whether it has projected the supply and demand of niches in Hong Kong in each of the coming 10 years;
- (3) of the current number of applicants waiting for public niches; whether it has compiled statistics on the average waiting time of each application;
- (4) given that the mortality rate after contracting COVID-19 in Hong Kong is reportedly the highest in the world, and the number of deaths arising from the epidemic has hit record high, whether it has assessed if the waiting time for public niches will become longer in the future;
- (5) whether it has examined the reason why the prices of private columbarium niches keep standing high, and the extent to which such reason is related to the persistent short supply of niches in Hong Kong; and
- (6) of the policies or measures in place to alleviate the shortage of niches in Hong Kong, so that the acute shortage of coffins will not be followed by

an acute shortage of niches?

Reply:

President,

With a growing and ageing population in Hong Kong, there is a great demand for burial facilities. To ensure the supply of niches can meet the public demand, the Government adopts a three-pronged strategy: firstly, to increase the supply of public niches; secondly, to ensure that private columbaria are in compliance with relevant laws and government requirements and that they adopt a sustainable mode of operation through the regulation under the Private Columbaria Ordinance (Cap. 630); and thirdly, to actively promote green burial to encourage the public to handle ashes of the deceased in a more environmentally-friendly and sustainable manner.

My reply to the question raised by the Hon Paul Tse is as follows:

(1) As at end-April 2022, the Private Columbaria Licensing Board (PCLB) received a total of 362 applications for specified instruments (SIs) from 147 columbaria. Apart from the applications from 16 columbaria that have been withdrawn by the applicants, the PCLB has processed applications from 75 columbaria, including rejecting applications from 29 columbaria and granting approval or approval-in-principle to applications for SIs (i.e. licence/exemption/temporary suspension of liability (TSOL)) from 46 columbaria, with the latter involving 360 440 sold niches which accounted for over 70 per cent of the total sold niches of private columbaria in Hong Kong before the cut-off date. The PCLB is processing the remaining applications from 56 columbaria. It is expected that certain decisions, including approval or approval-in-principle or rejection of applications for licence/exemption/TSOL, will be made by mid-2023.

(2) We have projected the demand for public niches from a macro perspective, taking into account key considerations such as the projected number of deaths in the population estimates published by the Census and Statistics Department, the cremation rate, and the trend of co-location of ashes and green burial. At present, cremation is the mainstream mode of burial arrangements, with the number of cremation accounting for over 90 per cent of the number of deaths. Green burial is also gaining more public acceptance. In the past three years, the number of green burial accounted for more than 15 per cent of the number of deaths.

Regarding the supply of niches, they are mainly provided by public columbaria, columbaria in private cemeteries and private columbaria.

In respect of public niches, the Government implements a district-based scheme for developing new public columbaria. As at end-April 2022, the Government has consulted the relevant District Councils on 12 public columbarium projects, which would altogether provide around 600 000 new public niches. Among them, the six projects at Diamond Hill, Cheung Chau, Wong Nai Chung Road in Wan Chai, Lai Chi Yuen in Mui Wo, Tsang Tsui in Tuen

Mun and Wo Hop Shek sites have been completed, providing around 210 000 public niches, which are already open for application for allocation. The two projects at Cape Collinson Road in Eastern District and Shek Mun in Sha Tin, which have obtained funding for their construction, are expected to be completed by the end of 2022 and 2024, providing 25 000 and 40 000 public niches respectively.

The Government will continue to take forward the remaining projects under the district-based scheme and continue to identify other suitable sites for the construction of new public columbaria to meet the needs of the public as far as possible.

In respect of private cemeteries, the columbarium projects at the Tsuen Wan Chinese Permanent Cemetery and the Junk Bay Chinese Permanent Cemetery under the Board of Management of the Chinese Permanent Cemeteries are underway. These two projects are estimated to be completed in this year and in 2024 respectively the earliest, providing a total of about 81 000 niches.

As for private columbaria, the supply of niches depends on factors such as the operating plans of individual operators and the progress of licence applications.

(3), (4) and (6) With the completion of the Tsang Tsui Columbarium in 2020, a substantial and steady supply of niches has become available. In addition to the comprehensive allocation of public niches once a year, the Food and Environmental Hygiene Department (FEHD) is also providing about 1 700 niches at the Tsang Tsui Columbarium on a monthly basis for public application starting from December 2020. The current supply of public niches is adequate. In fact, since mid-2020, all eligible applicants for the FEHD's annual comprehensive allocation or monthly allocation exercise (a total of some 66 000 applicants) have been successfully allocated with niches without the need to wait.

Given the sufficient supply of public niches at present, COVID-19 death cases do not have significant impact on the overall demand and supply of public niches. The bereaved families may apply for public niches through the FEHD's annual or monthly niche allocation exercise.

As it takes time to carry out such work as district consultation, planning application and construction for a new public columbarium, the Government will continue to proactively take forward public columbarium projects under the district-based scheme so as to ensure the steady supply of public niches in the medium to long term.

Besides, the FEHD has implemented the following administrative measures to optimise the use of public niches:

(i) relaxing the restriction for co-location of ashes in public niches: it includes relaxation of the definition of "close relative" and cancellation of the limit on the number of sets of ashes that can be placed in each public niche; and

(ii) implementing an extendable arrangement for public niches: starting from April 2019, each public niche will be provided an initial interment period of 20 years, which can be extended at 10-yearly intervals thereafter. If the related persons have not sought extension of deposit or removed the ashes from the niches within two years after the expiry date of the deposit period, the FEHD will remove the ashes from the niches and dispose the ashes by means of green burial upon failing to contact the related persons after repeated attempts. The relevant public niches will then be reallocated to eligible persons.

The Government has also made efforts in demand management to actively promote green burial through various channels so as to encourage the public to handle ashes of the deceased in a more environmental-friendly and sustainable manner. These measures included the launch of a central register in January 2019 to enable the public to register their wish for green burial free of charge so that they can plan in advance their after-death arrangements and make it known to their families. The scattering of cremated ashes at the Gardens of Remembrance or at sea is also encouraged through public education and publicity efforts.

(5) The pricing of niches in private columbaria is a matter of business decision of the operators, which may be subject to various factors. As for public niches, the current supply is sufficient. At present, the fees for a standard niche and a large niche for the initial 20 years are \$2,400 and \$3,000 respectively. After an initial interment period of 20 years, the interment can be extended for 10 years recurrently on application and on payment of a fee equivalent to half of the fee for 20-year interment period prevailing at that time.