

**立法會**  
**Legislative Council**

LC Paper No. CB(2)955/06-07  
(These minutes have been  
seen by the Administration)

Ref : CB2/BC/8/04

**Bills Committee on  
Building Management (Amendment) Bill 2005**

**Minutes of meeting  
held on Thursday, 7 December 2006, at 2:30 pm  
in Conference Room A of the Legislative Council Building**

- Members Present** : Hon James TO Kun-sun (Chairman)  
Hon Margaret NG  
Hon Miriam LAU Kin-ye, GBS, JP  
Hon Emily LAU Wai-hing, JP  
Hon CHOY So-yuk, JP  
Hon Andrew CHENG Kar-foo  
Hon Abraham SHEK Lai-him, JP  
Hon Albert CHAN Wai-yip  
Hon Audrey EU Yuet-mee, SC, JP  
Hon WONG Kwok-hing, MH  
Hon LI Kwok-ying, MH, JP  
Hon Alan LEONG Kah-kit, SC  
Hon LEUNG Kwok-hung  
Prof Hon Patrick LAU Sau-shing, SBS, JP
- Members absent** : Hon Albert HO Chun-yan  
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP  
Hon Jasper TSANG Yok-sing, GBS, JP  
Hon TAM Heung-man
- Public Officers attending** : Home Affairs Department  
Mr Isaac CHOW  
Deputy Director of Home Affairs (2)  
Mrs Angelina CHEUNG  
Assistant Director of Home Affairs (4)

Department of Justice

Mr Lawrence PENG  
Senior Assistant Law Draftsman

Security Bureau

Mr Charles WONG  
Principal Assistant Secretary (Security) B

Miss Queenie LEE  
Assistant Secretary (Security) B2

Fire Services Department

Mr CHOW Wing-tak  
Chief Fire Officer (Fire Safety)

Mr TAM Tai-keung  
Division Officer (Building Improvement & Support) 2

Buildings Department

Mr LEUNG Chi-kai  
Chief Building Surveyor / Fire Safety

Mr Thomas LEUNG  
Senior Building Surveyor / Fire Safety

**Clerk in attendance** : Miss Flora TAI  
Chief Council Secretary (2)2

**Staff in attendance** : Mr Stephen LAM  
Assistant Legal Adviser 4

Ms Joanne MAK  
Senior Council Secretary (2)2

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Action

**I. Meeting with the Administration**

The Bills Committee deliberated (index of proceedings at **Annex**).

Action

The Administration's response to members' suggestions/views on the draft Building Management (Third Party Risks Insurance) Regulation [LC Paper No. CB(2)446/06-07(01) and CB(2)551/06-07(01)]

*Inclusion of an asbestos exclusion clause*

Admin

2. Members noted that the Administration had agreed to include an asbestos exclusion clause in the Building Management (Third Party Risks Insurance) Regulation to be made after the enactment of the Bill. However, Mr LEE Kwok-ying expressed concern whether employees' compensation insurance would cover claims against an owners' corporation (OC) in relation to death or injury associated with asbestos in the common parts of a building caused to an employee (e.g., a repairman) who was hired by the OC in the course of his performance of regular maintenance work for the building. The Administration agreed to confirm on this point and to address Mr LEE's concern when the Regulation was scrutinised by the Legislative Council (LegCo).

Admin

*(Post-meeting note: The Administration responded that a common disease induced by asbestos was pneumoconiosis and, under the Pneumoconiosis Compensation Ordinance (Cap. 360), a person suffering from pneumoconiosis would be able to claim compensation from the Pneumoconiosis Compensation Fund. As for other cases, employees' compensation insurance would cover employees' claims against death or injury associated with asbestos.)*

*Extending the mandatory requirement of procurement of third party risks insurance to the building managers*

Admin

3. The Administration agreed to give a written response to the Chairman's suggestion of extending the mandatory requirement of procurement of third party risks insurance to the building managers by including a new provision in Schedule 7 to the Building Management Ordinance (BMO) to require building managers to procure such insurance in the way as prescribed by the Regulation.

*Scope of the mandatory procurement of third party risks insurance*

4. Members noted that the Administration had suggested to the Bills Committee on Building Management (Amendment) Bill 2000 that the coverage of the Regulation should include unauthorised building works (UBWs) pre-existing at the time of inception of the insurance policy subject to certification of safety by professionals. The Administration, however, had reported to the Panel on Home Affairs in 2001 its final view that UBWs should be excluded from the coverage of the Regulation.

Action

5. The Chairman expressed the view that he could not accept the reasons put forward by the Administration, e.g., the argument that the existence of UBWs would then be encouraged. He considered that it was of utmost importance to protect the right of the third party and increases in premium might encourage owners to demolish their UBWs. He, however, agreed that if the Bills Committee insisted on including UBWs within the coverage of the Regulation, it would be necessary for the Administration to conduct a new round of public consultation and detailed assessments on possible implementation difficulties. Ms Emily LAU agreed to the Chairman's views. Mr WONG Kwok-hing considered it unfair to require OCs to procure insurance for UBWs on a mandatory basis to protect owners who had built these illegal structures. The Chairman concluded that the Bills Committee had not come to a unanimous view on the issue.

Way forward on the proposal about borrowing power of OCs  
[LC Paper No. CB(2)551/06-07(02)]

6. The Bills Committee agreed to the Administration's decision to withdraw the proposal of empowering OCs to borrow from the Government on behalf of the defaulting owners to carry out statutory repair works, having regard to the many problems associated with the proposal and the availability of other loan and grant schemes to assist eligible OCs and owners.

7. While members noted that LegCo had decided, in passing the Fire Safety (Buildings) Ordinance (FS(B)O) in 2002, that the new provisions should not come into operation before amendments to BMO to empower OCs to borrow money on behalf of defaulting owners had been enacted, they in general agreed with the Administration that the withdrawal of the borrowing power proposal should not affect the commencement of FS(B)O as the Administration would adopt a series of measures in facilitating the commencement of FS(B)O. Members noted that the Administration would consult the Panel on Security before appointing a date for commencing FS(B)O. The Chairman requested that the view of the Panel on Security should be relayed to the Bills Committee for members' information if it was available before the Bills Committee was dissolved.

Admin

8. Members noted that the next meeting would be held on Thursday, 14 December 2006, at 4:30 pm.

9. There being no other business, the meeting ended at 4:50 pm.

**Proceedings of the meeting of Bills Committee on  
Building Management (Amendment) Bill 2005  
on Thursday, 7 December 2006, at 2:30 pm  
in Conference Room A of the Legislative Council Building**

Time marker	Speaker	Subject	Action required
000000 - 001220	Chairman Admin Mr LI Kwok-ying	<b>Discussion on the Administration's paper entitled "Supplementary consolidated response - The Administration's response to members' suggestions/views on the draft Building Management (Third Party Risks Insurance) Regulation"</b> [LC Paper No. CB(2)446/06-07(01)]  <u>Item D of the paper</u>	<b>Admin to include an asbestos exclusion clause in the Regulation</b> (para. 2 of minutes)
001221 - 003807	Chairman Admin Mr LI Kwok-ying Ms Emily LAU ALA4	<u>Item E of the paper</u>	<b>Admin to provide written response</b> (para. 3 of minutes)
003808 – 003957	Chairman Admin	<u>Item F of the paper</u>	
003958 – 004132	Chairman Admin	<u>Item G of the paper</u>	
004133 – 011449	Chairman ALA4 Admin Mr WONG Kwok-hing Ms Emily LAU	<b>Discussion on the Administration's paper entitled "Building Management (Third Party Risks Insurance) Regulation"</b> [LC Paper No. CB(2)551/06-07(01)]	
011450 – 021626	Chairman Admin Mr WONG Kwok-hing Ms Emily LAU Miss CHOY So-yuk Mr Alan LEONG	<b>Discussion on the Administration's paper entitled "Way forward on the proposal about borrowing power of OCs"</b> [LC Paper No. CB(2)551/06-07(02)]	<b>Admin to inform the Bills Committee of the view of Panel on Security</b> (para. 7 of minutes)
021627 - 021632	Chairman	Date of next meeting	