

HB (CR) 7/5/1

2509 0278

2509 9958

17 December 1999

Mrs Mary Tang
Clerk to Panel
LegCo Panel on Housing
LegCo Building
8 Jackson Road
Central
Hong Kong

Dear Mrs Tang,

LegCo Panel on Housing
Meeting held on 1 November 1999

I refer to your letter of 4 November and the draft minutes of the captioned meeting.

Concerning the comparison of the amount of redevelopment compensation payable to tenants/ sub-tenant under the existing and proposed methods of calculation, I attach at Annex A an example illustrating the improvements of the statutory compensation under the proposed method.

On the number of criminal cases relating to harassment of tenants over the past three years, I attach at Annex B the statistics kept by the Police on the number of reported cases and the number persons arrested for various offences.

In respect of the use by the landlord of tricky tactics, such as blocking the building's drainage with concrete, instead of unlawful action to evict the tenant, legal advice which we have obtained opines that subject to sufficiency of evidence as collected, prosecution for harassment is warranted in the type of behaviour described at the meeting.

Should you require further information, please feel free to contact the undersigned.

Yours sincerely,

(Miss Cindy Kwan)
for Secretary for Housing

c.c. CRV (Attn.: Mr F G Heath
Mr K S Shum)

Comparison of Compensations for Premises Let in Parts under Existing and Proposed Methods of Calculation

For a flat with a RV of \$96,000 (monthly rent of \$8,000), the existing statutory compensation will be \$456,000, as calculated below -

$$\$456,000 = \$30,000 \times 7 + \$30,000 \times 5 + \$30,000 \times 3 + \$6,000 \times 1$$

If the above flat is let in 4 parts with the following apportioned RVs, redevelopment compensations under the existing and proposed methods of calculation will be -

Part	<u>RV</u> (\$)	<u>Monthly Rent</u> (\$)	<u>Existing Compensation</u> (\$) ⁽ⁱ⁾	<u>Proposed Compensation</u> (\$) ⁽ⁱⁱ⁾	Increase (%)
A	12,000	1,000	57,000	84,000	(+47%)
B	18,000	1,500	85,500	126,000	(+47%)
C	30,000	2,500	142,500	210,000	(+47%)
D	<u>36,000</u>	<u>3,000</u>	<u>171,000</u>	<u>240,000</u>	<u>(+40%)</u>
Total	96,000	8,000	456,000	660,000	(+45%)

Notes :

(i) Existing method of calculation is based on apportionment of the compensation as follows –

$$\text{Part A } \$12,000 \div \$96,000 \times \$456,000 = \$57,000$$

$$\text{Part B } \$18,000 \div \$96,000 \times \$456,000 = \$85,500$$

$$\text{Part C } \$30,000 \div \$96,000 \times \$456,000 = \$142,500$$

$$\text{Part D } \$36,000 \div \$96,000 \times \$456,000 = \$171,000$$

(ii) Proposed method of calculation is based on apportionment of the RV as follows –

$$\text{Part A } \$12,000 \times 7 = \$84,000$$

$$\text{Part B } \$18,000 \times 7 = \$126,000$$

$$\text{Part C } \$30,000 \times 7 = \$210,000$$

$$\text{Part D } \$30,000 \times 7 + \$6,000 \times 5 = \$240,000$$

Statistics kept by the Police**Figure 1 : No. of crimes reported to Police
which are related to harassment of tenant**

Offence	1996	1997	1998	1999 (Jan-Sep)
Harassment of tenant under sections 45, 70B and 119V of the Landlord and Tenant (Consolidation) Ordinance (Cap. 7)	0	3	2	0
Other cases related to harassment of tenant -				
Wounding	0	1	0	0
Serious assault	0	0	0	2
Criminal intimidation	4	2	3	1
Arson	1	0	1	1
Criminal damage	5	5	3	5
Unlawful society offences	0	0	1	0
Total	10	11	10	9

**Figure 2 : No. of person arrested for crimes
which are related to harassment of tenant**

Offence	1996	1997	1998	1999 (Jan-Sep)
Harassment of tenant under sections 45, 70B and 119V of (Cap. 7)	0	6	1	0
Other cases related to harassment of tenant -				
Wounding	0	0	0	0
Serious assault	0	0	0	1
Criminal intimidation	1	1	4	2
Arson	0	0	0	0
Criminal damage	4	9	0	1
Unlawful society offences	0	0	5	0
Total	5	16	10	4