# 立法會 Legislative Council

LC Paper No. CB(1) 1359/03-04 (These minutes have been seen by the Administration)

Ref: CB1/BC/15/02/2

### Bills Committee on Landlord and Tenant (Consolidation) (Amendment) Bill 2003

Minutes of the seventh meeting held on Wednesday, 10 March 2004, at 10:45 am in Conference Room A of the Legislative Council Building

**Members present**: Hon Audrey EU Yuet-mee, SC, JP (Chairman)

Hon James TIEN Pei-chun, GBS, JP

Hon Albert HO Chun-yan Hon James TO Kun-sun Hon HUI Cheung-ching, JP Hon CHAN Yuen-han, JP Hon CHAN Kam-lam, JP

Hon Andrew WONG Wang-fat, JP Hon Howard YOUNG, SBS, JP

Hon IP Kwok-him, JP Hon LAU Ping-cheung

**Member absent** : Hon Abraham SHEK Lai-him, JP

Public officers attending

Housing, Planning and Lands Bureau

Mr TAM Wing-pong, JP Deputy Director (Strategy)

Mr Gilbert KO

Assistant Director (Private Housing)

Ms Ivy LAW

Principal Assistant Secretary (Planning and Lands)

Mr Donald NG

Senior Administrative Officer (Private Housing)

**Department of Justice** 

Mr John WILSON Consultant Counsel

Ms Carmen CHU

Senior Government Counsel

Rating and Valuation Department

Mr WONG Chun-shiu, JP Deputy Commissioner

Mr CHAN Kwok-fan Senior Rent Officer

**Attendance by invitation** 

<u>Urban Renewal Authority</u>

Mr Billy LAM Managing Director

Mr Trevor KEEN

Coordinator (Corporate Strategy)

Mr Ian WONG

General Manager (Property and Land)

Mr Eddie SO

General Manager, External Relations

**Clerk in attendance**: Miss Becky YU

Chief Council Secretary (1)1

**Staff in attendance** : Mr KAU Kin-wah

Assistant Legal Adviser 6

Mrs Mary TANG

Senior Council Secretary (1)2

#### I. Confirmation of minutes

(LC Paper No. CB(1) 1236/03-04

-- Minutes of the meeting held on 16 February 2004)

The minutes of the meeting held on 16 February 2004 were confirmed.

## II. Meeting with deputation and the Administration

(LC Paper No. CB(1) 993/03-04(01) -- Urban Renewal Authority's response to concerns raised at the meeting on 19 January 2004

L C Paper No. CB(1) 1241/03 04(01) List of follow up actions arising from

LC Paper No. CB(1) 1241/03-04(01) -- List of follow-up actions arising from the discussion on 16 February 2004

LC Paper No. CB(1) 1241/03-04(02) -- Administration's response to item 3 of LC Paper No. CB(1) 1241/03-04(01)

LC Paper No. CB(1) 1241/03-04(03) -- Consolidated list of follow-up actions arising from previous meetings (as at 9 March 2004)

LC Paper No. CB(1) 1241/03-04(04) -- Submission from 士丹頓街及永利街 重建和客組)

- 2. The Committee deliberated (Index of proceedings attached at **Annex A**).
- 3. The Administration was requested to liaise with the Judiciary Administration on the feasibility of further streamlining the repossession process.
- 4. Meanwhile, the Urban Renewal Authority (URA) was requested to -
  - (a) critically review the proposed compensation for domestic tenants after the removal of security of tenure, which in members' view was far less than the current statutory compensation and was at variance with the Administration's undertaking made when the Bill on Urban Renewal Authority was passed in 2000; and
  - (b) advise how URA should deal with the flow of tenants in project areas after the freezing survey conducted in 1997.
- 5. The meeting ended at 12:30 pm.

Council Business Division 1
<u>Legislative Council Secretariat</u>
23 March 2004

# Proceedings of the meeting of the Bills Committee on Landlord and Tenant (Consolidation) (Amendment) Bill 2003 Meeting on Wednesday, 10 March 2004, at 10:45 am in Conference Room A of the Legislative Council Building

Time marker	Speaker	Subject(s)	Action required
000000 - 000440	Chairman	Introductory remarks and confirmation of minutes of the meeting held on 16 February 2004 (LC Paper No. CB(1) 1236/03-04)	
000441 - 000901	Mr Billy LAM, Urban Renewal Authority (URA)	URA's response to concerns raised at the meeting on 19 January 2004 (LC Paper No. CB(1) 993/03-04(01))	
000902 - 001452	Mr James TO	Request for explanation on the following-	
		(a) percentage of households affected by the Land Development Corporation (LDC) projects who were eligible for re-housing but had opted for cash compensation;	
		(b) whether it was the policy intention to reduce cash compensation in an attempt to encourage affected residents to opt for re-housing; and	
		(c) the rationale for reducing cash compensation for tenants at the present stage when the property market appeared to have picked up and developers were keen to bid for redevelopment projects despite the high redevelopment cost based on prevailing compensation rate	

Time marker	Speaker	Subject(s)	Action required
001453 - 002737	Chairman Mr Ian WONG, Mr Billy LAM and Mr Trevor KEEN, URA	URA's explanation -  (a) percentage of households eligible for re-housing but opted for cash compensation was not available as tenants would not be assessed on their eligibility for re-housing once they had opted for compensation to avoid intrusion of their privacy;	URA to critically review the proposed level of compensation for tenants affected by redevelopment after the removal of security of tenure
		(b) large number of households opting for cash suggested that the current level of cash compensation was overly generous;	
		(c) URA's prime objective was to improve the living conditions of affected residents through rehousing to public housing; and	
		(d) past experience in URA projects showed that good response in the expression of interest exercise might not necessarily mean that there was good response in the tendering exercise	
		(e) not advisable to link URA's compensation policy to short-term market fluctuations	
002738 - 003250	Mr Howard YOUNG Mr Ian WONG, URA Administration	Setting of compensation level by URA at 2 times of the Rateable Value	
003251 - 003621	Mr Howard YOUNG Mr Ian WONG, URA	Percentage of households eligible for re-housing but had opted for compensation	

		- 3 -	
Time marker	Speaker	Subject(s)	Action required
003622 - 004216	Mr Albert HO	(a) the Bill was meant to remove security of tenure but had the unintended effect of removing the requirement for statutory compensation for domestic tenants;	
		(b) whether URA's proposed compensation level was adequate;	
		(c) the Bill would enable landlords to evict existing tenants to allow tenants of their choice to move in	
004217 - 004859	Chairman	URA's explanation -	
	Mr Billy LAM and Mr Ian WONG, URA Administration	(a) re-housing would be the primary means to improve the living conditions of affected residents;	
		(b) where necessary, special consideration on a case-by-case basis would be given to affected tenants;	
		(c) no incentive for landlords to evict tenants given the small difference in compensation between tenanted and vacant premises; and	
		(d) freezing survey conducted in 1997 on project areas provided information on tenancy situation	

Time marker	Speaker	Subject(s)	Action required
004900 - 005216	Mr Albert HO	Concern about the eligibility to compensation in respect of tenants who moved to project areas after the freezing survey conducted in 1997 or those who moved out before redevelopment	should deal with the flow of tenants in
005217 - 005251	Administration	Support for URA's compensation mechanism	
005252 - 005704	Mr LAU Ping-cheung Mr Billy LAM, URA	Developers of URA projects not responsible for paying compensation to affected residents as this should have been dealt with by URA before the projects were tendered	
005705 - 010636	Mr IP Kwok-him Mr Billy LAM and Mr Ian WONG, URA Chairman	Member's concern that residents who had been registered in the 1997 freezing survey would be deprived of their entitlement to the higher statutory compensation after enactment of the Bill; and  URA's explanation that all domestic tenants would no longer be entitled to statutory compensation after passage of the Bill, but those affected by URA projects would still receive ex gratia payments	
010637 - 011019	Mr HUI Cheung-ching Mr Billy LAM, URA Chairman	Difference between the proposed and the current levels of compensation offered by URA	
011020 - 011211	Chairman Mr Billy LAM, URA	Submissions from the 士丹頓街及永利街重建租客組 and 關注舊區住屋權益社工聯席  Staunton Road project still awaiting approval by the Town Planning Board	

Time marker	Speaker	Subject(s)	Action required
012112 - 011840	Miss CHAN Yuen-han Chairman Mr Billy LAM, URA Administration	Members' views -  (a) URA should honour its undertaking regarding compensation for tenants, which was made when the URA Bill was passed in 2000; and  (b) URA to critically review the proposed level of compensation  URA's explanation that the Administration only agreed to relay views of the then Bills Committee to URA for consideration after its establishment	URA to critically review the proposed compensation for domestic tenants after the removal of security of tenure, which was far less than the current statutory compensation and was at variance with the Administration's undertaking made when the Bill on URA was passed in 2000
011841 - 011939	Mr Albert HO Chairman Miss CHAN Yuen-han	Need to retrieve information on the Administration's undertaking on compensation for tenants made at the resumption of Second Reading debate on the URA Bill	The Clerk to retrieve the Administration's undertaking and the related information papers provided for the then Bills Committee
011940 - 013920	Chairman Administration Mr CHAN Kam-lam	Discussion on time frames of repossession procedures (LC Paper CB(1) 1241/03-04(02))  Members' concern about the long time for processing Order in Default of Opposition and Writ of Possession;  Administration's explanation of the need for judicial fairness	The Administration was requested to liaise with the Judiciary Administration on the feasibility of further streamlining the repossession process
013921 - 014107	Chairman Administration	Transitional arrangements and 12-month termination period	
014108 - 014331	Chairman Administration	Schedule of meetings	

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