

立法會
Legislative Council

LC Paper No. CB(1) 1739/03-04
(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 ninth meeting
held on Thursday, 15 April 2004, at 10:45 am
in the Chamber 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 CHAN Yuen-han, JP
Hon CHAN Kam-lam, JP
Hon Andrew WONG Wang-fat, JP
Hon IP Kwok-him, JP
- Members absent** : Hon HUI Cheung-ching, JP
Hon Howard YOUNG, SBS, JP
Hon Abraham SHEK Lai-him, JP
Hon LAU Ping-cheung
- 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 LO Hing-chung
Assistant Commissioner

Mr CHAN Kwok-fan
Senior Rent Officer

**Attendance by
invitation**

: Urban Renewal Authority

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

Mr Y K MOK
District Development Implementation Strategist

士丹頓街及永利街重建租客組

Ms YICK Wai-yee
Representative

Mr FUNG Chi-ming
Representative

關注舊區住屋權益社工聯席

Ms TAM On-kei
Representative

Mr LEE Tai-shing
Representative

大角咀重建租客關注組

Mr SO Hok-chuen
Representative

Resident Association on (Kwun Tong) Old Urban Renewal

Ms WONG Sau-ping
Representative

Clerk in attendance : Miss Becky YU
Chief Council Secretary (1)1

Staff in attendance : Ms Bernice WONG
Assistant Legal Adviser 1

Mrs Mary TANG
Senior Council Secretary (1)2

I. Confirmation of minutes

(LC Paper No. CB(1) 1483/03-04 -- Minutes of the meeting held on
26 March 2004)

The minutes of the meeting held on 26 March 2004 were confirmed.

II. Meeting with deputations and the Administration

(LC Paper No. CB(1) 1498/03-04(01) -- Urban Renewal Authority's
response to items 1 and 2 of LC
Paper No. CB(1) 1371/03-04(02)

LC Paper No. CB(1) 1241/03-04(04) -- Submission from 士丹頓街及
永利街重建租客組

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| LC Paper No. CB(1) 1498/03-04(02) | -- | Further submission from 士丹頓街及永利街重建租客組 |
| LC Paper No. CB(1) 1264/03-04(01) | -- | Submission from 關注舊區住屋權益社工聯席 |
| LC Paper No. CB(1) 1498/03-04(03) | -- | Further submission from 關注舊區住屋權益社工聯席 |
| LC Paper No. CB(1) 1498/03-04(04) | -- | Submission from 大角咀重建租客關注組 |
| LC Paper No. CB(1) 1498/03-04(05) | -- | Submission from the Resident Association on (Kwun Tong) Old Urban Renewal |
| LC Paper No. CB(1) 1371/03-04(02) | -- | List of follow-up actions arising from the discussion on 10 March 2004 |
| LC Paper No. CB(1) 1498/03-04(06) | -- | List of follow-up actions arising from the discussion on 26 March 2004 |
| LC Paper No. CB(1) 1498/03-04(07) | -- | Administration's response to item 2 of LC Paper No. CB(1) 1498/03-04(06) |
| LC Paper No. CB(1) 1498/03-04(08) | -- | Second batch of draft Committee Stage amendments proposed by the Administration |
| LC Paper No. CB(1) 1498/03-04(09) | -- | Consolidated list of follow-up actions arising from previous meetings (as at 14 April 2004) |
| LC Paper No. CB(1) 1498/03-04(10) | -- | Marked-up copy of the Bill incorporating the draft Committee Stage amendments received so far) |
2. The Committee deliberated (Index of proceedings attached at **Annex A**).
3. The Administration was requested to -
- (a) consider relaxing the eligibility criteria for public rental housing for tenants of the remaining 13 former Land Development Corporation (LDC) projects; and
 - (b) advise how the Administration should deal with its undertaking made when the Urban Renewal Authority Bill was passed in 2000 that the amount of cash compensation for domestic tenants affected by Urban Renewal Authority (URA) projects would not be less than the statutory compensation under the Landlord and Tenant

(Consolidation) Ordinance (the Ordinance). To include in the paper the administrative measures which the Administration would adopt to enable tenants and subtenants of the remaining 13 former LDC projects to continue to be entitled to compensation as if the relevant provisions in Part IV of the Ordinance had not been repealed. To also advise the Administration's stance on the proposed legislative amendment to retain the provisions on statutory compensation in the Ordinance in the event that the administrative measures were not acceptable to the Bills Committee.

4. URA was requested to -
 - (a) provide as far as practicable a comparison between the rentals of URA project areas with that of the neighbouring areas; and
 - (b) advise the cost difference if affected parties in the remaining 13 former LDC projects were offered the statutory compensation under the existing Ordinance and compensation equivalent to 3.5 times of the Rateable Value under the new option proposed by URA.
5. Members agreed that the next meeting, originally scheduled for 21 April 2004 at 10:45 am, be re-scheduled for 23 April 2004 at 8:30 am.
6. The meeting ended at 12:40 pm.

Council Business Division 1
Legislative Council Secretariat
7 May 2004

**Proceedings of the meeting of the
Bills Committee on Landlord and Tenant (Consolidation) (Amendment) Bill 2003
Meeting on Thursday, 15 April 2004, at 10:45 am
in the Chamber of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
000000 - 000804	Chairman	Introductory remarks and confirmation of minutes held on 26 March 2004 (LC Paper No. CB(1) 1483/03-04)	
000805 - 001540	Mr Billy LAM, Urban Renewal Authority (URA)	URA's response to items 1 and 2 of LC Paper No. CB(1) 1371/03-04(02)	
001541 - 001950	Ms YICK Wai-yee, Mr FUNG Chi-ming 士丹頓街及永利街 重建租客組	Submissions (LC Paper Nos. CB(1) 1241/03-04(04) and 1498/03-04(02)) Request for retention of statutory compensation for tenants of the remaining 13 former Land Development Corporation (LDC) projects	
001951 - 003200	Mr LEE Tai-shing, Ms TAM On-kei 關注舊區住屋權益 社工聯席	Submissions (LC Paper Nos. CB(1) 1264/03-04(01) and 1498/03-04(03)) (a) query on the basis upon which the average rateable values (RV) of \$45,000 was arrived at by the Urban Renewal Authority (URA) since RVs of most units in redevelopment districts were below \$40,000; (b) need to retain the statutory compensation for tenants of the remaining 13 former LDC projects; (c) residents had to opt for cash compensation as they could not meet eligibility criteria for public rental housing (PRH); and (d) the proposed compensation package offered by URA was much lower than that by LDC	

Time marker	Speaker	Subject(s)	Action required
003201 - 003408	Mr SO Hok-chuen 大角咀重建租客關注組	Submission (LC Paper No. CB(1) 1498/03-04(04)) The proposed compensation package offered by URA was much less than before	
003409 - 003808	Ms WONG Sau-ping, Resident Association on (Kwun Tong) Old Urban Renewal Chairman	Submission (LC Paper No. CB(1) 1498/03-04(05)) Request for retention of the statutory compensation for tenants of the remaining 13 former LDC projects	
003809 - 004245	Chairman Mr Billy LAM, URA	URA's response - (a) the existing statutory compensation was formulated in 1996-97 when the property market was at its peak; (b) re-housing should be the primary means of addressing clearers' housing needs and sufficient public housing units were now made available; (c) cash compensation for tenants of cubicles and bunk beds would not be less favourable than before; and (d) RV of \$45,000 was the average RV of affected units in redevelopment projects at Wanchai, Sham Shui Po and Cherry Street	

Time marker	Speaker	Subject(s)	Action required
004246 - 004832	Mr James TO	<p>(a) housing expenditure of tenants in redevelopment projects might be higher than their counterparts in the neighbouring areas as rentals in announced redevelopment areas tended to be higher;</p> <p>(b) reasonable to retain statutory compensation for tenants of the remaining 13 former LDC projects as they had waited for a long time for redevelopment and had been paying a higher rent;</p> <p>(c) consideration should be given to relaxing eligibility criteria for tenants of the remaining 13 former LDC projects; and</p> <p>(d) the statutory compensation had in fact been reduced as a result of decrease in rental value</p>	
004833 - 005040	Mr Billy LAM,URA	<p>URA's response -</p> <p>(a) all clearers should be subject to the same prevailing compensation package to ensure equity;</p> <p>(b) URA had discretion to rehouse clearers to PRH subject to a quota; and</p> <p>(c) need to discuss with the Housing Authority (HA) on further relaxation of rehousing eligibility criteria tenants affected by redevelopment</p>	

Time marker	Speaker	Subject(s)	Action required
005041 - 005320	Administration	Administration's explanation - (a) waiting time for PRH was less than three years; and (b) relaxation of rehousing eligibility criteria for tenants affected by redevelopment would cause unfairness to those on the Waiting List	
005321 - 005732	Mr James TO	(a) need for comparison between the rentals of URA project areas with that of the neighboring areas; and (b) need to relax the rehousing eligibility criteria and/or increase the quota for which URA could exercise its discretion to rehouse carees who were marginally ineligible for PRH and could not afford private housing after the suspension of sale of Home Ownership Scheme flats	URA to provide as far as practicable a comparison between the rentals of URA project areas with that of the neighboring areas

Time marker	Speaker	Subject(s)	Action required
005733 - 010110	Mr Billy LAM, URA Mr James TO Administration Chairman	<p>URA's response -</p> <p>(a) should endeavour to make optimum use of the annual provision of 2 000 PRH units by HA and Housing Society; present take-up rate was very low; and</p> <p>(b) would try to negotiate with HA on further relaxation of eligibility criteria for clearerees</p> <p>Administration's response - could not commit on the relaxation of rehousing eligibility criteria for tenants of the remaining 13 former LDC projects before consultation with HA</p>	The Administration to consider relaxing the eligibility criteria for PRH for tenants of the remaining 13 former LDC projects
010111 - 010526	Mr Albert HO	<p>(a) the removal of the provisions on statutory compensation under the Landlord and Tenant (Consolidation) Ordinance (LTO) under the Bill would enable the Administration not to abide by its undertaking made upon the passage of the URA Bill that the cash compensation offered by URA would not be less than that under LTO;</p> <p>(b) need to explain the compensation package for sub-tenants; and</p> <p>(c) concern that the proposed compensation which was already much less than the statutory compensation would be further reduced due to decrease in rental value</p>	

Time marker	Speaker	Subject(s)	Action required
010527 - 010803	Mr Ivan WONG, URA	URA's explanation that compensation for sub-tenants would be calculated according to their shares of the premises, including public areas, subject to a minimum payment	
010804 - 011200	Administration	<p>Administration's clarification -</p> <p>(a) the undertaking made upon the passage of URA Bill referred to the statutory compensation under the prevailing LTO. The URA would make compensation in accordance with any changes in the legal requirement; and</p> <p>(b) unable to commit on the relaxation of rehousing eligibility criteria for clearerees</p>	
011201 - 012104	Ms CHAN Yuen-han Chairman	<p>(a) Administration failed to honour its undertaking which was reached after prolonged negotiation;</p> <p>(b) tenants of remaining 13 former LDC projects had waited for redevelopment for years only to find that statutory compensation would be removed following the enactment of the Bill; and</p> <p>(c) Members of the Hong Kong Federation of Trade Unions were opposed to the removal of statutory compensation</p>	

Time marker	Speaker	Subject(s)	Action required
012105 - 012230	Mr Billy LAM, URA	<p>URA's explanation that situation in 1997 was quite different from now -</p> <p>(a) Rehousing by public rental units was not available then; and</p> <p>(b) Since end-1997, the rental market level of small domestic flats (under 100m²) had dropped by over 47%.</p>	
012231 - 012544	<p>Chairman Ms TAM On-kei, 關注舊區住屋權益 社工聯席</p>	<p>(a) the low take-up rate of the PRH by clearerees was due to the stringent rehousing eligibility criteria and the remote locations of PRH units; and</p> <p>(b) proposed compensation package was much lower than the prevailing statutory compensation</p>	
012545 - 012802	Chairman ALA1	Discussion on possible legislative amendments to retain the statutory compensation for tenants of the remaining 13 former LDC projects and the possible charging effect	
012803 - 012924	Mr James TO	Cost difference if affected parties in the remaining 13 former LDC projects were offered the statutory compensation under the existing Ordinance and the new option proposed by URA	URA to advise the cost difference if affected parties in the remaining 13 former LDC projects were offered the statutory compensation under the existing Ordinance and compensation equivalent to 3.5 times of RV under the new option proposed by URA
012925 - 013003	Mr Andrew WONG	Amendments to retain existing compensation might not have charging effect	

Time marker	Speaker	Subject(s)	Action required
013004 - 013225	Mr IP Kwok-him ALA1 Chairman Ms CHAN Yuen-han	Effect of retention of statutory compensation for tenants of the remaining 13 former LDC projects - (a) whether the retention would apply to those tenants who had moved in the affected areas after the freezing survey; and (b) whether the security of tenure provisions would apply to these projects	
013226 - 013510	Chairman Mr Billy LAM, URA Mr Andrew WONG	Staunton Street redevelopment project - (a) whether the application of the statutory compensation or the proposed compensation to the project would depend on the date upon which the project was approved by the Chief Executive in Council; and (b) how the critical date should be determined	
013511 - 013817	Ms CHAN Yuen-han Administration	Discussion on the impact of removal of security of tenure on the underprivileged	
013818 - 013915	Chairman Mr Albert HO	Members of the Democratic Party were considering moving amendments to delineate the RV below which the security of tenure would still apply	
013916 - 014138	Administration Chairman	To avoid complications arising from retention of certain statutory provisions, separate administrative measures could be introduced to deal with compensation for tenants of the remaining 13 former LDC projects	

Time marker	Speaker	Subject(s)	Action required
014139 - 014359	Ms CHAN Yuen-han Administration	Administration's undertaking made upon the passage of the URA Bill in 2000	The Administration to advise how it proposed to deal with its undertaking made upon the passage of the URA Bill in 2000
014400 - 014507	Chairman	Need for Administration to provide written reply to address members' concerns	<p>The Administration to include in the paper the administrative measures which the Administration would adopt to enable tenants and subtenants of the remaining 13 former LDC projects to continue to be entitled to compensation as if the relevant provisions in Part IV of the Ordinance had not been repealed. To also advise the Administration's stance on the proposed legislative amendment to retain the provisions on statutory compensation in the Ordinance in the event that the administrative measures were not acceptable to the Bills Committee</p> <p>ALA1 to advise the legal implications of retaining the statutory compensation for tenants of the remaining 13 former LDC projects; and the critical date for determining the compensation package applicable to the Staunton Street redevelopment project</p>
014508 - 014727	Chairman Mr IP Kwok-him	Re-scheduling of next meeting to 23 April 2004 at 8:30 am	

Time marker	Speaker	Subject(s)	Action required
014728 - 014907	Administration Chairman	Administration's request for early submission of the Committee Stage amendments to be moved by members	

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7 May 2004