

**立法會**  
**Legislative Council**

LC Paper No. CB(1) 509/03-04  
(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 first meeting  
held on Thursday, 20 November 2003, 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 Howard YOUNG, SBS, JP  
Hon Abraham SHEK Lai-him, JP

**Members absent** : Hon Andrew WONG Wang-fat, JP  
Hon IP Kwok-him, JP  
Hon LAU Ping-cheung

**Public officers attending** : Housing Department  
  
Ms Elaine CHUNG, JP  
Deputy Director (Strategy)  
  
Mr Gilbert KO  
Assistant Director (Private Housing)  
  
Department of Justice  
  
Mr John WILSON  
Consultant Counsel  
  
Ms Carmen CHU  
Senior Government Counsel

Rating and Valuation Department

Mr WONG Chun-siu, JP  
Deputy Commissioner

Mr SIU Kuen-sang  
Acting Assistant Commissioner (Special Duties)

Mr CHAN Kwok-fan  
Senior Rent Officer

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

**Staff in attendance** : Ms Bernice WONG  
Assistant Legal Adviser 1

Mrs Mary TANG  
Senior Assistant Secretary (1)2

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**I. Election of Chairman**

Nominated by Mr HUI Cheung-ching and seconded by Mr James TIEN, Ms Audrey EU was elected Chairman of the Bills Committee.

**II. Meeting with the Administration**

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| (CB(3) 684/02-03   | -- The Bill  |
| Ref: HD(CR) 5/15/231   | -- The Legislative Council Brief   |
| <i>(issued by the Housing, Planning and Lands Bureau on 27 May 2003)</i> |  |
| LC Paper No. LS115/02-03   | -- Legal Service Division Report   |
| LC Paper No. CB(1) 357/03-04(01)   | -- Background brief on Landlord and Tenant (Consolidation) (Amendment) Bill 2003                                     |
| LC Paper No. CB(1) 357/03-04(02)   | -- Marked-up copy of the Bill  |
| LC Paper No. CB(1) 357/03-04(03)   | -- Assistant Legal Adviser's letters dated 2 June and 5 September 2003 to the Administration and the latter's reply) |

2. The Committee deliberated (Index of proceedings attached at **Annex A**).

3. Mr CHAN Kam-lam declared interest as a member of the Urban Renewal Authority (URA).

4. The Administration was requested to -

- (a) provide the Administration's response to concerns raised by the Hong Kong Bar Association on the proposed relaxation of security of tenure for domestic tenancies;
- (b) provide information on tenancies of leased premises of different rateable values (RV), particularly those of lower RV which comprised major dwellings of low-income households;
- (c) provide details of the respondents of the telephone survey, including their status (landlord/tenant) and monthly household income;
- (d) advise the assumptions, including the forecast in flat supply (with figures), which the Administration had made in reaching the conclusion that the proposed relaxation of security of tenure was timely and had no significant implications on tenants, particularly those low-income households;
- (e) provide a flow chart showing the time frames and the procedures through which a landlord could repossess his premises upon expiry of the tenancy agreement after enactment of the Bill as opposed to that under the prevailing repossession process. To also include in the paper the actions which the landlord might take if the tenant refused to move out of the premises;
- (f) relay to URA members the concern that URA would not have to pay any statutory compensation upon redevelopment as a result of the relaxation of security of tenure provisions, which was at variance with its people-oriented approach and contrary to legitimate expectation. To also request URA to prepare a paper setting out the prevailing compensation mechanism in the event of redevelopment;
- (g) seriously consider making it a standing arrangement that past beneficiaries of subsidized home ownership schemes who could not afford private accommodation could be allowed to apply for public rental housing; and
- (h) provide an implementation time-table showing the time frames and sequence of events, including transitional arrangements, after all the proposals in the Bill come into full operation.

5. Members agreed that the following organizations be invited to give their views on the Bill at the next meeting scheduled for Thursday, 18 December 2003, at 8:30 am -

- (a) The Law Society of Hong Kong
- (b) Hong Kong Bar Association
- (c) Hong Kong Institute of Real Estate Administration
- (d) The Hong Kong Institute of Surveyors
- (e) The Real Estate Developers Association of Hong Kong
- (f) Society of Hong Kong Real Estate Agents Ltd.
- (g) Property Agencies Association Ltd.
- (h) The Hong Kong Institute of Housing
- (i) Chartered Institute of Housing Asian Pacific Branch
- (j) Hong Kong Real Estate Agencies General Association
- (k) Urban Renewal Authority
- (l) Hong Kong Owners Club
- (m) Hong Kong Housing Society
- (n) Estate Agents Authority
- (o) Society for Community Organization
- (p) The Association of Buildings, Hok Yuen District-Hunghom
- (q) Shung Tze Houses Owners Incorporation
- (r) Lung Kay Building Owners Incorporation

The Chairman added that members who wished to include other organizations in the list of consultees were requested to contact the Clerk.

*(Post-meeting note : At members' request, the Hong Kong People's Council on Housing Policy was subsequently added to the list of consultees.)*

6. There being no other business, the meeting ended at 12:35 pm.

Council Business Division 1  
Legislative Council Secretariat  
5 December 2003

**Proceedings of the meeting of the  
Bills Committee on Landlord and Tenant (Consolidation) (Amendment) Bill 2003  
Meeting on Thursday, 20 November 2003, at 10:45 am  
in Conference Room A of the Legislative Council Building**

<b>Time marker</b>	<b>Speaker</b>	<b>Subject(s)</b>	<b>Action required</b>
000000 - 000120	Mr James TIEN Ms Audrey EU Mr HUI Cheung-ching	Election of Chairman	
000121 - 000348	Chairman Mr James TIEN Mr HUI Cheung-ching	Schedule of meetings and list of organizations to be invited to give views at the next meeting on 18 December 2003	
000349 - 000902	Administration	Briefing on the proposals in the Bill	
000903 - 001000	Mr James TIEN	Liberal Party's in-principle support for the Bill	
001001 - 002109	Mr James TO Administration Chairman	Administration's response to the Hong Kong Bar Association's views as set out in paragraphs 11(c)(i) to (iv) of the Legislative Council Brief	The Administration to provide its response to concerns raised by the Hong Kong Bar Association on the proposed relaxation of security of tenure for domestic tenancies
002110 - 002557	Mr James TO	Concern about impact of the removal of security of tenure provisions on low-income families, in particular those living in cubicles and bedspace apartments and whether an assessment had been made on such impact	The Administration to advise the assumptions, including the forecast in flat supply (with figures), which the Administration had made in reaching the conclusion that the proposed relaxation of security of tenure was timely and had no significant implications on tenants, particularly those low-income households

Time marker	Speaker	Subject(s)	Action required
002558 - 002858	Administration Chairman	The need to balance interest between landlords and tenants; survey on tenancies indicated that most tenants did not require security of tenure as they tended to move within two to four years; sufficiency in the supply of housing units in both the public and private rental market	The Administration to provide information on tenancies of leased premises of different rateable values (RV), particularly those of lower RV which comprised major dwellings of low-income households
002859 - 003602	Mr CHAN Kam-lam Chairman	Democratic Alliance for Betterment of Hong Kong's support for the Bill; need to address the situation where the tenant refused to move out of premises upon expiry of contractual tenancy; and whether provisions would be introduced to facilitate the repossession of leased premises upon expiry of the tenancy	The Administration to provide a flow chart showing the time frames and the procedures through which a landlord could repossess his premises upon expiry of the tenancy agreement after enactment of the Bill as opposed to that under the prevailing repossession process. To also include in the paper the actions which the landlord might take if the tenant refused to move out of the premises
003603 - 004002	Administration Chairman Mr CHAN Kam-lam	Application of prevailing repossession process and procedures to situations where tenants refused to move out of premises upon expiry of contractual tenancy; possibility of shortening the repossession process for such situations; and transitional provisions under clauses 5 and 7	
004003 - 003741	Mr HUI Cheung-ching	Whether security of tenure provisions would be reinstated when the demand in the rental market exceeded its supply	

Time marker	Speaker	Subject(s)	Action required
003742 - 004741	Administration Chairman	The rental market and the forecast in the supply of rental units; balance of supply and demand to be achieved by 2006 and thereafter to be adjusted by market forces through application list, changes in land use, etc	The Administration to advise the assumptions, including the forecast in flat supply (with figures), which the Administration had made in reaching the conclusion that the proposed relaxation of security of tenure was timely and had no significant implications on tenants, particularly those low-income household
004742 - 000108	Mr Albert HO Chairman	Need to address the impact of removing security of tenure on low-income families, in particular single-parent families or those with no fixed income who would have difficulty in finding rental accommodation as they were not welcome by most landlords; difficulty in meeting the stringent eligibility criteria for subsidized public housing; no objection to the removal of security of tenure provisions for tenancies above a certain rental level; need to draw a line on RV under which security of tenure would still apply as it was all along the Administration's policy to protect the under-privileged; request for provision of details of the respondents of telephone survey; concern that the proposed removal of security of tenure provisions would have the effect of absolving developers and the Urban Renewal Authority (URA) from paying statutory compensation to tenants upon expiry of contractual tenancy	

Time marker	Speaker	Subject(s)	Action required
000109 - 010154	Administration	Democratic Party's request for drawing a line on RV under which the security of tenure provisions would still apply; views on Consultation Paper and the results of telephone survey; parity treatment to URA and other landlords; and private developers' decision whether to offer non-statutory compensation having regard to their own redevelopment plans	
010155 - 010712	Mr Albert HO Administration	Results of telephone survey; and whether respondents were aware that the Bill might have the effect of absolving developers from paying statutory compensation to tenants upon expiry of contractual tenancy	The Administration to provide details of the respondents of the telephone survey, including their status (landlord/tenant) and monthly household income
010713 - 011526	Miss CHAN Yuen-han	Concern that rentals would be pushed up as a result of the relaxation of security of tenure; and need to assess impact of the relaxation on low-income families	
011527 - 011750	Administration Chairman	The decreasing trend of rental level since 1997; inability of some owners of lower rental units in Mongkok and Shamshuipo to find tenants owing to ample supply of rental units in the property market; average waiting time for public rental housing (PRH) shortened to 2.1 years; and the existing rental market and tenancy situation	
011751 - 012018	Mr Abraham SHEK Chairman	Concern about the impact of relaxation of security of tenure on low-income families who needed protection	



Time marker	Speaker	Subject(s)	Action required
012019 - 012557	Mr Albert HO	Legitimate expectation of tenants affected by redevelopment to obtain statutory compensation from developers or URA; and concern that past beneficiaries of subsidized home ownership (SHO) schemes who could not afford private accommodation were not eligible for PRH	
012558 - 012657	Administration Chairman	Discretion of the Housing Authority in approving PRH for past SHO beneficiaries; no statutory basis for redevelopment compensation for tenants once security of tenure was removed; discretion of private developers and URA to consider non-statutory compensation having regard to their own development plans	The Administration to seriously consider making it a standing arrangement so that past SHO beneficiaries who could not afford private accommodation could be allowed to apply for PRH; and to relay to URA members the concern that URA would not have to pay any statutory compensation upon redevelopment as a result of the relaxation of security of tenure provisions, which was at variance with its people-oriented approach and contrary to legitimate expectation
012658 - 012822	Mr Abraham SHEK	The people-oriented approach adopted by URA which operated in accordance with its own legislation	

Time marker	Speaker	Subject(s)	Action required
012823 - 013209	Mr CHAN Kam-lam	Declaration of interest as a member of URA; purpose of Bill not intended to absolve URA from paying compensation to tenants affected by redevelopment; and the possible conflict that might arise if tenants affected by redevelopment were led to believe that the purpose of the Bill was to absolve URA from its social responsibility; and need to balance interest of both landlords and tenants	
013210 - 013609	Mr Albert HO Chairman	The effect of the Bill in absolving the existing responsibility of URA in paying compensation to tenants affected by redevelopment; and the likely conflict between affected tenants and URA as a result of the absolution	
013610 - 014209	Chairman Administration Mr Abraham SHEK	Implementation time-table; need for a grace period and transitional arrangements	The Administration to provide an implementation time-table showing the time frames and sequence of events, including transitional arrangements, after all the proposals in the Bill come into full operation
014210 - 014549	Chairman Mr Albert HO Mr Abraham SHEK Administration	Invitation of interested groups to the meeting on 18 December 2003; prevailing compensation mechanism of URA; and concern that owners would try to evict their tenants in an attempt to maximize compensation from URA upon redevelopment	The Administration to request URA to prepare a paper setting out the prevailing compensation mechanism in the event of redevelopment