立法會 Legislative Council

LC Paper No. CB(1) 2528/11-12 (These minutes have been seen by the Administration

Ref: CB1/BC/4/11/2

Bills Committee on Residential Properties (First-hand Sales) Bill

Minutes of ninth meeting held on Tuesday, 22 May 2012, at 10:45 am in Conference Room 1 of the Legislative Council Complex

Members present: Hon CHAN Kam-lam, SBS, JP (Chairman)

Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP

Hon LEE Cheuk-yan Hon James TO Kun-sun

Hon Abraham SHEK Lai-him, SBS, JP Hon Audrey EU Yuet-mee, SC, JP

Hon LEE Wing-tat

Dr Hon Joseph LEE Kok-long, SBS, JP Prof Hon Patrick LAU Sau-shing, SBS, JP

Hon Starry LEE Wai-king, JP Hon WONG Kwok-kin, BBS

Hon Mrs Regina IP LAU Suk-yee, GBS, JP

Hon Tanya CHAN

Members absent: Hon Miriam LAU Kin-yee, GBS, JP

Hon Vincent FANG Kang, SBS, JP Hon Ronny TONG Ka-wah, SC Hon Paul CHAN Mo-po, MH, JP Hon IP Kwok-him, GBS, JP Hon Alan LEONG Kah-kit, SC

Public officers attending

: For item I

Transport and Housing Bureau

Mr Eugene FUNG

Deputy Secretary for Transport and Housing (Special

Duties)

Mrs Hedy CHU

Principal Assistant Secretary for Transport and Housing (Special Duties)

Miss Sharon KO Senior Administrative Officer (Special Duties) 1

Department of Justice

Mr Lawrence PENG Senior Assistant Law Draftsman

Miss Grace LAM Senior Government Counsel

Ms Mandy NG Government Counsel

Lands Department

Mr Armstrong CHU Chief Land Conveyancing Officer/Port and Railway Development (Legal Advisory and Conveyancing Office)

Mr Ronald MA Senior Solicitor/Special Duty(2) (Legal Advisory and Conveyancing Office)

Clerk in attendance: Miss Becky YU

Chief Council Secretary (1)1

Staff in attendance: Miss Kitty CHENG

Assistant Legal Adviser 5

Mrs Mary TANG

Senior Council Secretary (1)1

I. Meeting with the Administration

(LC Paper No. CB(1) 1598/11-12(03) — Assistant Legal Adviser's letters dated 12 April 2012 to the Administration

LC Paper No. CB(1) 1598/11-12(04) — Administration's response to CB(1) 1598/11-12(03)

LC Paper No. CB(1) 1936/11-12(01) — A table showing the offences in the Residential Properties

in the Residential Properties (First-hand Sales) Bill provided by the Administration in response to CB(1) 1598/11-12(03)

LC Paper No. CB(1) 1730/11-12(02) — List of follow-up actions arising from the discussion at the meeting on 24 April 2012

LC Paper No. CB(1) 1936/11-12(02) — Administration's response to CB(1) 1730/11-12(02)

LC Paper No. CB(1) 1936/11-12(03) — List of follow-up actions arising from the discussion at the meeting on 15 May 2012)

Relevant papers

LC Paper No. CB(3) 570/11-12 — The Bill

The Legislative Council Brief

LC Paper No. LS47/11-12 — Legal Service Division Report

LC Paper No. CB(1) 1730/11-12(03) — Assistant Legal Adviser's letter dated 25 April 2012 to

the Administration

LC Paper No. CB(1) 1779/11-12(01) — Administration's response to CB(1) 1730/11-12(03)

LC Paper No. CB(1) 1861/11-12(02) — List of follow-up actions arising from the discussion at the meeting on 9 May 2012

The Bills Committee deliberated (Index of Proceedings attached in **Annex**).

2. <u>The Administration</u> was requested to -

- (a) set out in tabular form the Committee Stage amendments being contemplated and update the table as and when necessary;
- (b) provide the legal advice which formed the basis of the Administration's response to the issues pertaining to the submission from the Real Estate Developers Association of Hong Kong;

- (c) include in the speech of the Secretary for Transport and Housing to be delivered at the resumption of Second Reading debate on the Bill a pledge that the Administration would endeavour to work out a standardized definition of "gross floor area";
- (d) review the definition of "saleable area" in both the Consent Scheme and the Bill to ensure consistency; and
- (e) consider extending the time limits within which information on transactions should be disclosed.
- 3. <u>Members</u> agreed to continue discussion on the Bill at the next meeting on Thursday, 24 May 2012 at 8:30 am.

II. Any other business

4. There being no other business, the meeting ended at 12:33 pm.

Council Business Division 1
<u>Legislative Council Secretariat</u>
5 September 2012

Bills Committee on Residential Properties (First-hand Sales) Bill

Proceedings of the ninth meeting on Tuesday, 22 May 2012, at 10:45 am in Conference Room 1 of the Legislative Council Complex

Time marker	Speaker	Subject(s)	Action required		
Agenda Item I - Meeting with the Administration					
000737 - 000904	Chairman	Opening remarks			
000737 - 000904	Chairman Administration Mr Abraham SHEK Chairman Ir Dr Raymond HO	Administration's explanation on its response to issues raised by members at the meeting on 24 April 2012 (LC Paper No. CB(1) 1936/11-12(02)). Mr Abraham SHEK's dissatisfaction that the Administration had failed to address the Real Estate Developers Association of Hong Kong (REDA)'s concern on the need for a standardized definition of "gross floor area" (GFA) for a property so that this could be used in parallel with saleable area (SA) as the basis for quoting the size and price per square foot/metre of a first-hand residential property. Ir Dr Raymond HO's views that the use of both GFA and SA would facilitate purchasers in making comparisons between first and second-hand residential properties. Administration's explanation - (a) there was at present a standardized definition of SA for a property, but not a commonly-adopted definition of GFA for a property; (b) in the absence of a commonly-adopted definition, it was not possible to prescribe GFA in precise term in the legislation; and (c) it had taken a few years for the key stakeholders to work out a standardized definition of SA for a property. A far			
		longer time was expected for key stakeholders to agree upon a standardized definition of GFA for a property in view of the many parameters which needed to be considered.			

Time marker	Speaker	Subject(s)	Action required
002149 - 002842	Administration Mr Abraham SHEK Mr James TO Chairman	Administration's explanation on its response to submissions to the Bills Committee (Annex to LC Paper No. CB(1) 1936/11-12(02)). (A) General Comments Mr Abraham SHEK's enquiry on the legal advice which formed the basis of the Administration's response to the issues pertaining to the submission from REDA.	The Administration to provide the legal advice which formed the basis of the Administration's response to the issues pertaining to the submission from REDA.
002843 - 003318	Administration Mr Abraham SHEK Chairman	(B) Scope of the Bill	
003319 - 005257	Administration Mr Abraham SHEK Ms Audrey EU Assistant Legal Adviser 5 (ALA5)	(C) Exemption arrangements under the Bill Discussion on the proposed Committee Stage amendments (CSAs) to some of the exemption arrangements. ALA5's request for the Administration to set out in tabular form the CSAs being contemplated and update the table as and when necessary.	The Administration to set out in tabular form the CSAs being contemplated and update the table as and when necessary.
005258 - 011328	Administration Mr Abraham SHEK Chairman Ms Audrey EU	 (D) The use of GFA and SA Mr Abraham SHEK's enquiries - (a) legal advice on whether prohibiting the disclosure of GFA-related information would constitute a restriction on the right to the freedom of expression guaranteed under the Basic Law and the Hong Kong Bill of Rights; and (b) time frame for working out a standardized definition of GFA. Administration's response that, as set out in its response to the views of the deputations, there did not seem to be sufficient basis for saying that the proposed measures for requiring that only SA be used to present the property area and property price per square foot/metre constituted a significant interference with the right to freedom of expression or breach of Article 16 of the Bill of Rights. 	The Administration to - (a) include in the speech of the Secretary for Transport and Housing to be delivered at the resumption of Second Reading debate on the Bill a pledge that the Administration would endeavour to work out a standardized definition of GFA; and (b) review the definition of "saleable area"

Time marker	Speaker	Subject(s)	Action required
		Ms Audrey EU's concern that the definition of SA in the Bill was different from the Consent Scheme. Administration's response -	in both the Consent Scheme and the Bill to ensure consistency.
		(a) the definition of SA in the Bill was materially the same as the one used under the Consent Scheme. The differences in the wordings between the Consent Scheme and the Bill regarding the definition of SA, were primarily textual differences; and	
		(b) upon the enactment of the Bill, the Lands Department would make appropriate revisions to the wordings of the definition of SA in the Consent Scheme to tally with the definition of SA in the Bill.	
011329 - 012820	Administration Chairman	(E) Requirements on sales brochure	
012821 - 013713	Administration Mr Abraham SHEK Chairman	(F) Requirements on price list Mr Abraham SHEK's request for legal advice on whether the requirement for inclusion of a minimum number of properties in a price list would consitute a restriction on the vendor's right to dispose of his property under Article 105 of the Basic Law.	
013714 - 014129	Administration Mr Abraham SHEK	(G) Requirements on disclosure of transaction information Mr Abraham SHEK's request for extending the time limits within which information on transactions should be disclosed. The Administration's response that the proposed requirements on the disclosure of transaction information as set out in the Bill struck a balance between ensuring timely dissemination of updated and accurate transaction information in a user-friendly manner, and the practical need to give vendors reasonable lead time to make ready the transaction information accurately.	The Administration to consider extending the time limits within which information on transactions should be disclosed.

Time marker	Speaker	Subject(s)	Action required
014130 - 014650	Administration Mr Abraham SHEK	(H) Requirements on sales arrangements	
014651 - 014854	Chairman	Date of next meeting.	

Council Business Division 1
<u>Legislative Council Secretariat</u>
5 September 2012