

立法會
Legislative Council

LC Paper No. CB(2) 487/12-13

Ref : CB2/H/5/12

House Committee of the Legislative Council

**Minutes of the 13th meeting
held in Conference Room 1 of the Legislative Council Complex
at 2:30 pm on Friday, 11 January 2013**

Members present:

Hon Andrew LEUNG Kwan-yuen, GBS, JP (Chairman)

Hon Ronny TONG Ka-wah, SC (Deputy Chairman)

Hon LEE Cheuk-yan

Hon James TO Kun-sun

Hon CHAN Kam-lam, SBS, JP

Hon Emily LAU Wai-hing, JP

Hon TAM Yiu-chung, GBS, JP

Hon Abraham SHEK Lai-him, SBS, JP

Hon Tommy CHEUNG Yu-yan, SBS, JP

Hon Frederick FUNG Kin-kee, SBS, JP

Hon Vincent FANG Kang, SBS, JP

Hon WONG Kwok-hing, MH

Dr Hon Joseph LEE Kok-long, SBS, JP

Hon Jeffrey LAM Kin-fung, GBS, JP

Hon WONG Ting-kwong, SBS, JP

Hon Cyd HO Sau-lan

Hon Starry LEE Wai-king, JP

Dr Hon LAM Tai-fai, SBS, JP

Hon CHAN Hak-kan, JP

Hon CHAN Kin-por, BBS, JP

Hon CHEUNG Kwok-che

Hon WONG Kwok-kin, BBS

Hon IP Kwok-him, GBS, JP

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

Hon Paul TSE Wai-chun, JP

Hon Alan LEONG Kah-kit, SC

Hon LEUNG Kwok-hung

Hon Albert CHAN Wai-yip

Hon WONG Yuk-man

Hon Claudia MO

Hon NG Leung-sing, SBS, JP
Hon Steven HO Chun-yin
Hon Frankie YICK Chi-ming
Hon WU Chi-wai, MH
Hon YIU Si-wing
Hon Gary FAN Kwok-wai
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK
Hon CHAN Chi-chuen
Hon CHAN Han-pan
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon Dennis KWOK
Hon Christopher CHEUNG Wah-fung, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon SIN Chung-kai, SBS, JP
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO Cheung-kong, JP
Hon POON Siu-ping, BBS, MH
Hon TANG Ka-piu
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-ki, BBS, MH, JP
Hon CHUNG Kwok-pan
Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Members absent:

Hon Albert HO Chun-yan
Hon LEUNG Yiu-chung
Dr Hon LAU Wong-fat, GBM, GBS, JP
Dr Hon Priscilla LEUNG Mei-fun, JP
Dr Hon LEUNG Ka-lau
Hon Michael TIEN Puk-sun, BBS, JP
Hon James TIEN Pei-chun, GBS, JP
Hon Tony TSE Wai-chuen

Clerk in attendance :

Miss Flora TAI

Clerk to the House Committee

Staff in attendance :

Mr Kenneth CHEN, SBS	Secretary General
Mr Jimmy MA, JP	Legal Adviser
Mrs Justina LAM	Deputy Secretary General
Mr Andy LAU	Assistant Secretary General 1
Miss Odelia LEUNG	Assistant Secretary General 3
Mrs Percy MA	Assistant Secretary General 4
Ms Connie FUNG	Senior Assistant Legal Adviser 1
Mr Arthur CHEUNG	Senior Assistant Legal Adviser 2
Mr KAU Kin-wah	Senior Assistant Legal Adviser 3
Miss Erin TSANG	Acting Principal Council Secretary (Complaints)
Mr Simon WONG	Chief Public Information Officer
Ms Amy YU	Chief Council Secretary (2)6
Miss Kitty CHENG	Assistant Legal Adviser 5
Mr YICK Wing-kin	Assistant Legal Adviser 8
Miss Evelyn LEE	Assistant Legal Adviser 10
Miss Josephine SO	Senior Council Secretary (2)2
Mr Jove CHAN	Senior Council Secretary (2)6
Ms Judy TING	Council Secretary (2)6
Ms Anna CHEUNG	Senior Legislative Assistant (2)3
Mr Arthur KAN	Legislative Assistant (2)7

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I. Confirmation of the minutes of the 12th meeting held on 4 January 2013

(LC Paper No. CB(2) 451/12-13)

The minutes were confirmed.

II. Matters arising

Report by the Chairman on his meeting with the Chief Secretary for Administration ("CS")

Introduction of bills

2. The Chairman said that as the first two bills for the current session were only introduced at the Council meeting of 9 January 2013, he had asked CS whether the remaining bills on the Administration's Legislative

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Programme would be introduced as scheduled. CS had reiterated that the policy bureaux would be urged, through the Administration's internal mechanism, to introduce bills in accordance with the timetable in the Legislative Programme. CS had also advised that the other bills for the current session would be presented to the Council one after another.

3. The Chairman informed Members that according to the 2012-2013 Legislative Programme, five more bills would be introduced into the Council in the first half of the current session. Furthermore, several bills which were not on the Legislative Programme were also expected to be introduced into the Council in the next few months.

III. Business arising from previous Council meetings

(a) **Legal Service Division report on bills referred to the House Committee in accordance with Rule 54(4)**

(i) **Stamp Duty (Amendment) Bill 2012**
(*LC Paper No. LS 17/12-13*)

4. At the invitation of the Chairman, Senior Assistant Legal Adviser 1 ("SALA1") said that the Bill sought to give effect to the further measures announced by the Financial Secretary ("FS") on 26 October 2012 to curb short-term speculative activities in the residential property market, i.e. imposing a higher rate of special stamp duty ("SSD") on transactions of residential property acquired on or after 27 October 2012 and extending the applicable period from 24 months to 36 months, as well as introducing a buyer's stamp duty ("BSD") on agreements for sale and conveyances on sale of residential property executed on or after 27 October 2012 except where the purchasers were Hong Kong permanent residents. The effect of the Bill would be that all companies would be subject to BSD.

5. SALA1 further said that the Bill also provided a refund mechanism to cater for acquisition of residential properties for the purpose of redevelopment and added an empowering section to the Stamp Duty Ordinance (Cap. 117) ("SDO") to provide that FS might, by notice published in the Gazette, amend the rates of SSD and BSD. The Panel on Housing and the Panel on Financial Affairs were consulted on the legislative proposals on 2 November 2012, and members had expressed various concerns. SALA1 advised that Members might consider setting up a Bills Committee to study the Bill.

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6. Members decided to form a Bills Committee to study the Bill in detail. The following Members agreed to join the Bills Committee: Mr James TO, Ms Emily LAU, Mr Abraham SHEK (as advised by Mr Andrew LEUNG), Mr WONG Kwok-hing, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr Ronny TONG, Mrs Regina IP, Mr James TIEN (as advised by Mr Vincent FANG), Mr YIU Si-wing, Mr Charles MOK and Mr Kenneth LEUNG.

**(ii) Inland Revenue and Stamp Duty Legislation
(Alternative Bond Schemes) (Amendment) Bill 2012**
(LC Paper No. LS 16/12-13)

7. At the invitation of the Chairman, SALA1 explained that the object of the Bill was to amend the Inland Revenue Ordinance (Cap. 112) ("IRO") and SDO to provide a taxation framework comparable to that for conventional bonds for issuing some common types of Islamic bonds. SALA1 further explained that the Bill adopted a religion neutral approach by stipulating the conditions that an arrangement must satisfy before it might be accorded the tax treatment of a debt arrangement and the relevant stamp duty relief. The Panel on Financial Affairs had been consulted on the legislative proposals on 5 November 2012 and members had expressed various concerns. SALA1 advised that Members might consider setting up a Bills Committee to study the Bill.

8. Members decided to form a Bills Committee to study the Bill in detail. The following Members agreed to join the Bills Committee: Mr Abraham SHEK, Mr Ronny TONG, Mr Kenneth LEUNG, Mr SIN Chung-kai and Mr Christopher CHUNG.

**(b) Legal Service Division report on subsidiary legislation
gazetted on 4 January 2013 and tabled in Council on
9 January 2013**

(LC Paper No. LS 19/12-13)

9. At the invitation of the Chairman, SALA1 said that one item of subsidiary legislation, i.e. the Designation of Libraries (Amendment) Order 2013 (L.N. 1/2013), was gazetted on 4 January 2013 and tabled in the Council on 9 January 2013.

10. Members did not raise any queries on the Order.

11. The Chairman reminded Members that the deadline for amending the Order was 6 February 2013.

IV. Further business for the Council meeting of 16 January 2013

Tabling of papers

Report No. 9/12-13 of the House Committee on Consideration of Subsidiary Legislation and Other Instruments

(LC Paper No. CB(2) 453/12-13 issued vide LC Paper No. CB(3) 289/12-13 dated 10 January 2013)

12. The Chairman said that the Report covered three items of subsidiary legislation, including the Competition Ordinance (Commencement) Notice 2012 (L.N. 177/2012) ("the Notice"), the period for amendment of which would expire on 16 January 2013. The Chairman further said that as Chairman of the relevant subcommittee, he had indicated intention to speak on the Notice. He would therefore move a motion at that Council meeting to take note of the Report in relation to the Notice after the Chief Executive had delivered the 2013 Policy Address.

V. Business for the Council meeting of 23 January 2013

(a) Questions

(LC Paper No. CB(3) 283/12-13)

13. The Chairman said that 20 questions (six oral and 14 written) had been scheduled for the meeting

(b) Bills - First Reading and moving of Second Reading

14. The Chairman said that no notice had been received yet.

(c) Government motions

Three proposed resolutions to be moved by the Secretary for Transport and Housing under section 5(3)(b) of the Public Bus Services Ordinance (Cap. 230) in relation to the following three bus companies:

(i) New World First Bus Services Limited;

(ii) Long Win Bus Company Limited; and

(iii) Citybus Limited

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*(Wording of the proposed resolutions issued vide LC Paper No. CB(3) 274/12-13 dated 7 January 2013.)
(LC Paper No. LS 18/12-13)*

15. At the invitation of the Chairman, SALA1 said that the three proposed resolutions were to seek the Legislative Council ("LegCo")'s approval so that the new 10-year franchises granted by the Chief Executive in Council on 24 April 2012 to New World First Bus Services Limited, Long Win Bus Company Limited and Citybus Limited (Franchise for Airport and North Lantau Bus Network) (collectively known as "the New Franchises") would not be subject to the provisions of the Profit Control Scheme ("PCS") under the Public Bus Services Ordinance (Cap. 230). SALA1 further informed the meeting that the Panel on Transport had discussed the New Franchise requirements at five meetings held between July 2011 and May 2012, but had not specifically discussed PCS at these meetings.

16. Dr KWOK Ka-ki considered it necessary to form a subcommittee to study the three proposed resolutions in detail, given that issues involving the bus franchises were controversial. Members agreed. The following Members agreed to join the subcommittee: Mr WU Chi-wai, Mr Gary FAN and Dr KWOK Ka-ki.

17. The Chairman said that in line with established practice and the arrangement agreed with the Administration, the Administration would be requested to withdraw its notices for moving the proposed resolutions so as to allow sufficient time for the subcommittee to scrutinize the proposed resolutions.

(d) Members' motions

(i) Motion to be moved by Dr Hon Elizabeth QUAT

(ii) Motion to be moved by Hon James TIEN

18. The Chairman said that the subjects of the motions to be moved by Dr Elizabeth QUAT and Mr James TIEN were "Assisting the middle class" and "Optimizing the Comprehensive Social Security Assistance for the unemployed" respectively. The wording of the motions had been issued to Members.

19. The Chairman reminded Members that the deadline for giving notice of amendments, if any, to the motions was Wednesday, 16 January 2013.

VI. Position on Bills Committees and subcommittees

(LC Paper No. CB(2) 452/12-13)

20. The Chairman said that as at 10 January 2013, there were five subcommittees under the House Committee ("HC") (i.e. two subcommittees on subsidiary legislation, one subcommittee on policy issues and two subcommittees on other Council business) and six subcommittees on policy issues under Panels in action.

21. The Chairman informed Members that at the joint meeting of the Panel on Home Affairs and the Panel on Development held immediately before this HC meeting, it was agreed that a joint subcommittee be appointed to monitor the implementation of the West Kowloon Cultural District project. With the appointment of this joint subcommittee, the number of subcommittees on policy issues in operation had reached eight. As such, a queuing system would be activated with a waiting list formed. Should any other such subcommittees be formed in the future, they would be placed on the waiting list. Members noted the arrangement and raised no queries.

VII. Arrangements for the debate on the 2013 Policy Address

(LC Paper No. CB(3) 284/12-13)

22. The Chairman invited Members to note the arrangements for the debate on the 2013 Policy Address as set out in paragraphs 3 to 5 of the paper. He advised the meeting that the arrangements were largely the same as those for the debates on the Policy Addresses in the Fourth LegCo.

23. The Chairman further said that the debate on the Policy Address would be held on three consecutive days (i.e. 30 and 31 January, and 1 February 2013) in five sessions. Each session would be dedicated to a group of policy areas to be agreed between the Administration and HC. The first day of the debate (30 January) would start at 11:00 am, and the second and third days (31 January and 1 February) at 9:00 am. The ending time for the first and second days of the debate would be about 10:00 pm but might be extended for 30 minutes if necessary. As regards the third day, if the debate could not be finished by about 10:00 pm, the meeting would be extended until the debate had finished and there was a possibility that the Council meeting might continue on Saturday, 2 February 2013 if necessary. The Chairman added that each Member might speak once in each of the five debate sessions, but subject to the total speaking time limit of 30 minutes.

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24. In response to Ms Emily LAU's enquiry on the meeting arrangement for the third day of the debate, the Chairman said that if the President was of the opinion that it was likely that the business on the Agenda of the meeting could be finished by about midnight on 1 February 2013, he would continue with the meeting; otherwise, he would suspend the meeting at about 10:00 pm and ordered that it be resumed the following day on 2 February 2013. The Chairman further said that with the increase in the number of Members in the Fifth LegCo, the time required for holding the debate on the Policy Address was expected to be a few hours longer. However, as some Members might not use up their speaking time, the Council meeting commencing on 30 January 2013 for the debate on the Policy Address would likely finish before midnight on 1 February 2013, unless unforeseen circumstances arose.

25. Ms Emily LAU said that Members should reserve their time on Saturday, 2 February 2013 for continuation of the Council meeting commencing on 30 January 2013 if necessary.

26. Responding to Ms Emily LAU's further enquiry, Secretary General said that the Council would vote on the "Motion of Thanks" towards the end of that Council meeting, after the five debate sessions had been held.

27. Referring to paragraph 5(h)(i) of the paper concerning the speaking time limit for designated public officers in each debate session, Mr CHAN Kam-lam enquired about the rationale for specifying that, where one to two designated public officers were to speak, each officer might speak for not less than 15 minutes. In his view, it should be up to the officers to determine how to allocate among themselves the total speaking time limit of 45 minutes.

28. At the invitation of the Chairman, Deputy Secretary General ("DSG") explained that the arrangements on the speaking time limit for designated public officers in the debates on Policy Addresses were agreed with the Administration and had been in place for a long time. Under the agreed arrangements, for one or two officers, the total speaking time limit would be 45 minutes. Where two officers were to speak, each officer might speak for not less than 15 minutes. This was to ensure that the officer speaking first would leave at least 15 minutes for the other officer so that each of the two officers concerned would have sufficient time to speak. Subject to such a restriction, it was up to the officers concerned to determine their actual speaking time. DSG further explained that where three or more officers were to speak, the total speaking time limit would be calculated on the basis of 15-minute speaking time limit for each officer, and it was for the officers concerned to determine their actual speaking time, subject to the total time limit.

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29. In response to Ms Claudia MO's enquiry, the Chairman said that if the debate on the Policy Address could not be finished on 1 February 2013, the Council meeting would be resumed the following day at 9:00 am.

30. The Chairman said that he would write to CS after the meeting on the arrangements for the debate on the 2013 Policy Address. He would request the Administration to provide by noon on Thursday, 17 January 2013, the proposed grouping of policy areas for the debate. HC would discuss the Administration's proposed grouping at the next meeting on 18 January 2013.

VIII. Any other business

31. There being no other business, the meeting ended at 2:50 pm.

Council Business Division 2
Legislative Council Secretariat
16 January 2013