# 立法會 Legislative Council

LC Paper No. CB(2)1177/18-19

Ref : CB2/H/5/18

### **House Committee of the Legislative Council**

# Minutes of the 18th meeting held in Conference Room 1 of the Legislative Council Complex at 2:30 pm on Friday, 29 March 2019

#### **Members present:**

Hon Starry LEE Wai-king, SBS, JP (Chairman)

Hon LEUNG Yiu-chung

Hon Abraham SHEK Lai-him, GBS, JP

Hon Tommy CHEUNG Yu-yan, GBS, JP

Prof Hon Joseph LEE Kok-long, SBS, JP

Hon Jeffrey LAM Kin-fung, GBS, JP

Hon WONG Ting-kwong, GBS, JP

Hon CHAN Hak-kan, BBS, JP

Hon CHAN Kin-por, GBS, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon WONG Kwok-kin, SBS, JP

Hon Paul TSE Wai-chun, JP

Hon Claudia MO

Hon Michael TIEN Puk-sun, BBS, JP

Hon Steven HO Chun-yin, BBS

Hon Frankie YICK Chi-ming, SBS, JP

Hon WU Chi-wai, MH

Hon YIU Si-wing, BBS

Hon MA Fung-kwok, SBS, JP

Hon CHAN Chi-chuen

Hon CHAN Han-pan, BBS, JP

Hon LEUNG Che-cheung, SBS, MH, JP

Hon Kenneth LEUNG

Hon Alice MAK Mei-kuen, BBS, JP

Dr Hon KWOK Ka-ki

Hon KWOK Wai-keung, JP

Hon Christopher CHEUNG Wah-fung, SBS, JP

Dr Hon Fernando CHEUNG Chiu-hung

Dr Hon Helena WONG Pik-wan

Dr Hon Elizabeth QUAT, BBS, JP

Hon Martin LIAO Cheung-kong, SBS, JP

Hon POON Siu-ping, BBS, MH

Dr Hon CHIANG Lai-wan, SBS, JP

Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Hon Alvin YEUNG

Hon Andrew WAN Siu-kin

Hon CHU Hoi-dick

Hon Jimmy NG Wing-ka, JP

Hon HO Kai-ming

Hon LAM Cheuk-ting

Hon Holden CHOW Ho-ding

Hon SHIU Ka-fai

Hon SHIU Ka-chun

Hon Wilson OR Chong-shing, MH

Hon YUNG Hoi-yan

Dr Hon Pierre CHAN

Hon CHAN Chun-ying, JP

Hon Tanya CHAN

Hon CHEUNG Kwok-kwan, JP

Hon HUI Chi-fung

Hon LUK Chung-hung, JP

Hon LAU Kwok-fan, MH

Hon Kenneth LAU Ip-keung, BBS, MH, JP

Dr Hon CHENG Chung-tai

Hon KWONG Chun-yu

Hon Jeremy TAM Man-ho

Hon Gary FAN Kwok-wai

Hon AU Nok-hin

Hon Vincent CHENG Wing-shun, MH

Hon Tony TSE Wai-chuen, BBS

Hon CHAN Hoi-yan

#### **Members absent:**

Hon Dennis KWOK Wing-hang (Deputy Chairman)

Hon James TO Kun-sun

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

Hon Charles Peter MOK, JP

Hon IP Kin-yuen

Hon CHUNG Kwok-pan

Dr Hon Junius HO Kwan-yiu, JP

#### Clerk in attendance:

Miss Flora TAI Clerk to the House Committee

#### **Staff in attendance:**

Mr Kenneth CHEN, SBS Secretary General Legal Adviser Ms Connie FUNG

Miss Odelia LEUNG Deputy Secretary General Ms Anita SIT Assistant Secretary General 1 Assistant Secretary General 3 Ms Dora WAI Assistant Secretary General 4 Mr Matthew LOO Mr Timothy TSO Senior Assistant Legal Adviser 1 Mr YICK Wing-kin Senior Assistant Legal Adviser 2 Mr Kelvin LEE Senior Assistant Legal Adviser 3 Ms Amy YU Principal Council Secretary 1 Ms Hallie CHAN Head (Public Information) Ms Alice LEUNG Chief Council Secretary (2)6 Mr Alvin CHUI Assistant Legal Adviser 3 Ms Wendy KAN Assistant Legal Adviser 6 Assistant Legal Adviser 10 Miss Evelyn LEE Miss Connie AU Senior Council Secretary (2)6 Mr Richard WONG Senior Council Secretary (2)8

Miss Michelle TANG Council Secretary (2)6

Ms Anna CHEUNG Senior Legislative Assistant (2)3

Legislative Assistant (2)7 Mr Arthur KAN

Action

#### I. **Confirmation of minutes of meeting**

#### Minutes of 17th meeting held on 22 March 2019

(LC Paper No. CB(2)1090/18-19)

The minutes were confirmed.

#### II. **Matters arising**

### Report by the Chairman on her meeting with the Chief Secretary for Administration

Administration's proposals to amend the Fugitive Offenders Ordinance (Cap. 503) and the Mutual Legal Assistance in Criminal Matters Ordinance (Cap. 525)

2. The Chairman said that she had relayed to the Chief Secretary for Administration ("CS") Mr James TO's concern raised at the last House Committee ("HC") meeting on 22 March 2019 in respect of the Administration's proposals to amend the Fugitive Offenders Ordinance (Cap. 503) ("FOO") and the Mutual Legal Assistance in Criminal Matters Ordinance (Cap. 525) ("MLAO"). CS had replied that the Secretary for Security and officers of the Department of Justice would continue to listen to and analyze the views of various stakeholders, and would take those views into consideration before presenting the bill to the Legislative Council ("LegCo"). Furthermore, after the presentation of the bill to LegCo and during the scrutiny of the bill by the Bills Committee, the relevant government officials would continue to listen to and consider the views of all sides so as to refine the bill.

#### <u>Updated 2018-2019 Legislative Programme</u>

3. <u>The Chairman</u> said that the Director of Administration had provided the updated 2018-2019 Legislative Programme, which included three newly added bills. The updated Legislative Programme had been issued to Members for reference on 25 March 2019 vide LC Paper No. CB(2)1083/18-19(01).

Arrangement for the press conference held by the Chief Executive on 26 March 2019 in respect of three major issues

- Ms Tanya CHAN said that on 26 March 2019, the Chief Executive ("CE") held one press conference to brief the media on three major issues (i.e. the interim report of the Commission of Inquiry into the Construction Works at and near the Hung Hom Station Extension under the Shatin to Central Link Project, the toll adjustment proposal rationalization among the three road harbour crossings, and the proposed amendments to FOO and MLAO. Ms CHAN further said that the Hong Kong Journalists Association had issued a statement expressing its concern that such arrangement might blur the focus of discussion. her view, it was also not ideal for CE to make such arrangement because it had caused inconvenience to Members in arranging media interviews to make immediate responses to these three issues. She added that there were at one time more than 20 Members waiting for their turns to use the press interview microphone stand near the conference rooms in the LegCo Complex on that day. Ms CHAN requested the Chairman to relay her view to CS.
- 5. <u>The Chairman</u> said that she would relay Ms Tanya CHAN's view to CS at their next meeting.

#### III. Business arising from previous Council meetings

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

Broadcasting and Telecommunications Legislation (Amendment) Bill 2019 (LC Paper No. LS60/18-19)

- 6. At the invitation of the Chairman, <u>Legal Adviser</u> ("LA") briefed Members on the report prepared by the Legal Service Division ("LSD") on the Bill.
- 7. <u>Mr CHAN Chi-chuen</u> considered it necessary to form a Bills Committee to study the Bill in detail. <u>Members</u> agreed. Mr CHAN Chi-chuen and Mr HUI Chi-fung agreed to join the proposed Bills Committee.
- (b) Legal Service Division report on subsidiary legislation gazetted on 22 March 2019 and tabled in Council on 27 March 2019 (LC Paper No. LS61/18-19)
- 8. At the invitation of the Chairman, <u>LA</u> briefed Members on the report prepared by LSD on the Merchant Shipping (Safety) (IMSBC Code) (Amendment) Regulation 2019 (L.N. 36) which was gazetted on 22 March 2019 and tabled in Council on 27 March 2019.
- 9. <u>Members</u> did not raise any questions on the Amendment Regulation.
- 10. <u>The Chairman</u> reminded Members that the deadline for amending the Amendment Regulation would be the Council meeting of 17 April 2019.

## IV. Further business for the Council meeting of 3 April 2019

## (a) <u>Bill - First Reading and moving of Second Reading</u>

11. <u>The Chairman</u> said that HC would consider the Fugitive Offenders and Mutual Legal Assistance in Criminal Matters Legislation (Amendment) Bill 2019 at its meeting on 12 April 2019.

- (b) Member's Bill resumption of debate on Second Reading, consideration by committee of the whole Council and Third Reading
- 12. <u>The Chairman</u> said that at the HC meeting held on 22 March 2019, Members did not raise objection to the resumption of the Second Reading debate on the Professional Accountants (Amendment) Bill 2018.

# V. Advance information on business for the Council meeting on 17 and 18 April 2019

### Bill - First Reading and moving of Second Reading

13. <u>The Chairman</u> said that HC would consider the Occupational Retirement Schemes (Amendment) Bill 2019 at its meeting on 26 April 2019.

#### VI. Reports of Bills Committees and subcommittees

- (a) Report of the Subcommittee on Public Health and Municipal Services (Fees) (Amendment) Regulation 2019 (LC Paper No. CB(2)1092/18-19)
- 14. Mr CHAN Hak-kan, Chairman of the Subcommittee, briefed Members on the deliberations of the Subcommittee as detailed in its report. Mr CHAN said that most members of the Subcommittee supported the Amendment Regulation and that the Subcommittee would not propose any amendments to it.

# (b) Report of the Subcommittee on Rating (Exemption) Order 2019

15. Mr Holden CHOW, Chairman of the Subcommittee, made a verbal report on the deliberations of the Subcommittee. He said that the purpose of the Rating (Exemption) Order 2019 ("the Exemption Order") was to give effect to the rates concession measure proposed in the 2019-2020 Budget, which exempted the rates of all rateable tenements for four quarters of 2019-2020, subject to a ceiling of \$1,500 per tenement per quarter.

- 16. Mr CHOW informed Members that the Subcommittee had held one meeting and had completed its scrutiny work. Some members of the Subcommittee expressed support for the rates concession measure to ease the financial burden of the public. Members of the Subcommittee noted that the rates concession measure covered 810 000 public rental housing ("PRH") units, and the Hong Kong Housing Authority would rebate the rates concession to the PRH tenants concerned. In addition, over 82% of the tenancies of the top 10 ratepayers who were estimated to receive the largest amounts of rates concession in 2019-2020 were rates exclusive. Most of the rates concession would be rebated to the tenants concerned in accordance with the provisions of the tenancy agreements. Members of the Subcommittee considered it not unreasonable for the Government to provide rates concession based on each rateable tenement.
- 17. Mr CHOW said that some members of the Subcommittee, however, considered that the rates concession measure should target at the grassroots and the needy. Therefore, the Government should exclude unsold vacant properties held by developers, large corporations with a large number of non-residential properties, and certain properties used for housing automatic teller machines and erection of advertising light boxes from the rates concession measure.
- Mr CHOW further said that the Subcommittee had noted that in 18. response to Members' concern, the Government had reviewed the rates concession mechanism in 2018 with a view to distributing rates concessions in a more equitable manner, and had consulted the Panel on Financial Affairs ("the FA Panel") on a number of options for modifying the current rates concession mechanism. As the option which the Government considered to be a more feasible approach to modifying the current mechanism (i.e. providing rates concession to one rateable property for each owner) would exclude existing beneficiaries (especially tenants) from enjoying rates concession; and it was necessary to invest considerable resources to develop a computer system for capturing information on property ownership and tenancies, the FA Panel had expressed reservation over the above option. Accordingly, the Administration had continued to adopt the current mechanism to provide rates concession in 2019-2020. In this regard, some members of the Subcommittee considered that the Administration should continue to explore feasible options for modifying the current rates concession mechanism, and get prepared for introducing modification options in the future, such as enhancing the "Requisition for Particulars of Tenements" form to obtain information relating to property ownership.

- 19. Mr CHOW advised that the Administration had explained that rates concession was implemented on an equal-footing basis, regardless of the types and rateable value of the relevant properties, and whether the ratepayer concerned was the owner or the tenant. All ratepayers could benefit from the rates concession measure. If the current rates concession approach was to be changed, the Administration had to make fundamental changes to the rates collection system and replace the computer system and database of the Rating and Valuation Department. However, the Administration would actively consider the views expressed by members of the Subcommittee, and welcome other feasible proposals from stakeholders for modifying the rates concession mechanism.
- 20. <u>Members</u> noted that both the Subcommittee and the Administration would not propose any amendments to the Exemption Order. The Subcommittee would submit a written report in due course.
- (c) Report of the Subcommittee on Revenue (Reduction of Business Registration Fees and Branch Registration Fees) Order 2019
- 21. Mr Steven HO, Chairman of the Subcommittee, made a verbal report on the deliberations of the Subcommittee. He said that the Revenue (Reduction of Business Registration Fees and Branch Registration Fees) Order 2019 ("the Order") was to implement the proposal of the 2019-2020 Budget to waive the business registration fees and branch registration fees for 2019-2020 in the sum of \$2,000 and \$73 respectively ("the proposed waiver of business registration fees").
- 22. Mr HO informed Members that the Subcommittee had held one meeting and had completed scrutiny of the Order. Members of the Subcommittee generally agreed with the Administration's objective to help businesses reduce the operating costs through the proposed waiver of business registration fees, amidst the uncertain economic circumstances ahead.
- 23. Mr HO advised that some members of the Subcommittee had pointed out that while as many as 1.4 million business operators in the territory would benefit from the proposed waiver of business registration fees, hawkers and fishermen, who did not need to apply for business registration, had to pay licence fees for hawkers and fishing vessels on an annual basis respectively. Licence fees for hawkers and fishing vessels were of a similar nature to business registration fees. In these members' view, the Administration should have a more comprehensive consideration and waive the licence fees for hawkers and fishing vessels at the same time.

- 24. Mr HO further said that the Administration had advised that the proposed waiver of business registration fees in the 2019-2020 Budget was made after repeated deliberations within the Government. The Administration, however, undertook to relay the views of members of the Subcommittee to the relevant parties for their reference when formulating similar fee waiver proposals in the future.
- 25. Members noted that in its paper submitted to the Subcommittee, the Administration had advised that the proposed waiver of business registration fees would put in place a refund mechanism. In gist, the Government would refund fees for business registration certificates or branch registration certificates to businesses which were not yet required to renew their registration certificates within 2019-2020 or businesses which would not renew their registration certificates within 2019-2020 due to cessation of business, but they had nonetheless made payment in respect of registration certificates with validity falling within 2019-2020. As the Order did not provide for the refund mechanism, members of the Subcommittee had requested the Administration to supplementary paper to explain the legal basis for and operational details of the refund mechanism. The Administration had provided the supplementary paper on 27 March 2019.
- 26. <u>Members</u> also noted that the Subcommittee raised no objection to the Order and that both the Subcommittee and the Administration would not propose any amendments to it. The Subcommittee would submit a written report in due course.
- 27. The Chairman reminded Members that the period for amending the three items of subsidiary legislation studied by the above three Subcommittees would expire at the Council meeting of 17 April 2019, and the deadline for giving notice of amendments, if any, would be Wednesday, 10 April 2019.

# VII. Position on Bills Committees and subcommittees

(LC Paper No. CB(2)1091/18-19)

28. <u>The Chairman</u> said that as at 28 March 2019, there were 11 Bills Committees, six subcommittees under HC and seven subcommittees on policy issues under Panels in action. Five subcommittees on policy issues were on the waiting list.

29. The Chairman informed Members that the proposed Subcommittee on Control of Obscene and Indecent Articles (Amendment) Regulation 2019 and Allowances to Jurors (Amendment) Order 2019 as well as the proposed Subcommittee on Non-Hong Kong Companies (Disclosure of Company Name, Place of Incorporation and Members' Limited Liability) Regulation, Companies (Amendment) (No. 2) Ordinance 2018 (Commencement) Notice and Companies Ordinance (Amendment of Schedule 7) Notice 2019 each had only two Members having signified membership. According to the relevant requirements of the House Rules, a subcommittee should consist of not less than three members and accordingly, the above two proposed subcommittees could not be formed.

# VIII. Proposal of the Panel on Commerce and Industry to nominate a Member to attend the S Rajaratnam School of International Studies and the World Trade Organization Parliamentarian Workshop on International Trade 2019

(LC Paper No. CB(1)779/18-19)

- 30. At the invitation of the Chairman, Mr YIU Si-wing, Chairman of the Panel on Commerce and Industry ("the CI Panel"), briefed Members on the proposal of the Panel to nominate Dr Elizabeth QUAT to attend the Parliamentarian Workshop on International Trade 2019 ("the Workshop"), which was organized by the Centre for Multilateralism Studies of the S Rajaratnam School of International Studies and the World Trade Organization and would be held from 11 to 13 June 2019 in Singapore, as detailed in the paper.
- 31. <u>Members</u> endorsed the recommendations of the CI Panel to nominate Dr Elizabeth QUAT to attend the Workshop, and to charge the expenses incurred for attending the Workshop to the Overseas Duty Visit account of Dr QUAT.

# IX. Any other business

32. There being no other business, the meeting ended at 2:48 pm.

Council Business Division 2
<u>Legislative Council Secretariat</u>
10 April 2019