Date: 06/03/2000

香港物業管理公司協會的信頭 Letterhead of HONG KONG ASSOCIATION OF PROPERTY MANAGEMENT COMPANIES

Bills Committee Hong Kong Special Administrative Region of the People's Republic of China

Building Management (Amendment) Bill 2000

The following are the Association's views on the captioned Amendment Bill:-

- a) We support the need to specify building management and maintenance standards for compliance by Owners' Corporations (OC).
- b) We also support for mandatory management of buildings with serious management and maintenance problems. In fact, we are of the view that all buildings should be managed in one way or another.
- c) However, we hold a very different view on simplifying the manner for owners of new buildings to convene meetings to appoint management committee. We consider the amendment is totally unnecessary;
 - i) Current DMCs are being screened and approved by Legal Advisory and Conveyancing Office (LACO) of the Lands Department which provide good balance of interest between management companies and owners. Hasty formation of OC is deemed unnecessary.
 - ii) The formation of an OC is an important step for owners with great ramification on their personal liabilities. The desision to form OC should not be taken lightly and should be decided by the simple majority of the owners same as the present legislation.
 - iii) Owners nowadays are very mobile in moving homes from one development to another. OC membership change from time to time. We see no continuation of policy and management standards and long term planning with such unstable organisation. Therefore we view that a thorough research on the success of OC as a building management vehicle should be conducted before any amendment is being put forward to the bills committee.
- d) Amendment on Insurance, audit of accounts, publication of notice of Owners' meeting quorum at a meeting of OC are considered reasonable.

Yours faithfully,

Simon Sham Sik Shing (沈錫勝) Chairman Professional Practice Committee

Note: I would like to give oral representation to the Bills Committee 09/03/2000.