

立法會
Legislative Council

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Paper for the House Committee meeting on 19 January 2001

**Report of the Subcommittee on
Waterworks (Amendment) Regulation 2000**

Purpose

This paper reports on the deliberations on the Subcommittee on Waterworks (Amendment) Regulation 2000 (the Amendment Regulation).

Background

2. Government has frozen most fees and charges since February 1998 as an exceptional measure to ease burden on the community at a time of economic setback. The Financial Secretary decided in June 1999 to continue the fee revision moratorium until the year-on-year quarterly GDP growth rate turned firmly positive. In view of the current state of economic recovery, the Administration, since the commencement of this legislative term, makes proposals to adjust various Government fees and charges.

The Amendment Regulation

3. The Amendment Regulation increases 12 items of fees and charges for the following services:

- (a) making a connection to the main and installing the part of a fire service or inside service on land held by the Government;
- (b) providing and installing a meter; and
- (c) testing a meter or a private check meter.

The relevant fees and charges are increased by 10% to 15%. The Amendment Regulation will come into operation on 9 February 2001.

The Subcommittee

4. Members agreed at the House Committee meeting on 5 January 2001 to form a Subcommittee to study the Amendment Regulation. Members also agreed that a motion be moved at the Council meeting on 17 January 2001 to extend the scrutiny period of the Amendment Regulation to 7 February 2001. Under the chairmanship of Hon James TIEN Pei-chun, the Subcommittee has held one meeting with the Administration. The membership list of the Subcommittee is at **Appendix I**.

Deliberations of the Subcommittee

5. Of prime concern to the Subcommittee is whether the 12 items of fees and charges increased under the Amendment Regulation will directly affect people's livelihood. According to the Administration, it has already taken this factor into account before making proposals to adjust the relevant fees and charges. In its view, the proposed increases will not have impact on the livelihood of the general members of the public. The connection of water pipes to a main and the provision and/or installation of a water meter involve new developments only and the fees and charges for these services are borne by property developers. Given the small adjustment of the fees and charges in absolute dollar terms and their insignificant amount vis-a-vis the total construction costs of a development, the cost impact on property developers is immaterial and the proposed increases should not have a bearing on property prices.

6. As regards the proposed increases in the fees and charges for testing meters of different sizes, the Subcommittee takes note of the Administration's explanation that these fees and charges refer to requests made by existing water account holders for checking the accuracy of their water meters when they have doubt on the water bill. The number of requests for such service is around 2,000 per year. If the water meter in question is found to over-register or under-register, no charge will be payable by the consumer.

7. The Subcommittee notices that notwithstanding the implementation of the Enhanced Productivity Programme in the Water Supplies Department, all the fees and charges under the Amendment Regulation are adjusted upward. In response to members' queries, the Administration stresses that the Water Supplies Department has successfully contained the costs of providing various types of services, such as testing water samples and issuing a plumber's licence. Eight types of fees and charges under the Waterworks Regulation have not been revised since 1995 or 1996 and no proposal for revision is being contemplated. Efforts will continue to be made to explore efficiency improvement measures to alleviate the pressure for fee increases.

Conclusion

8. The Subcommittee considers that all aspects of the Amendment Regulation have been fully deliberated. It would be for individual Members to decide whether or not to support the proposed fee increases.

Advice sought

9. Members are invited to note the deliberations of the Subcommittee.

Prepared by
Council Business Division 1
Legislative Council Secretariat
18 January 2001

Subcommittee on Waterworks (Amendment) Regulation 2000

Membership list

Chairman Hon James TIEN Pei-chun, JP

Members Hon Fred LI Wah-ming, JP
Hon HUI Cheung-ching
Hon CHAN Kwok-keung
Hon CHAN Kam-lam
Hon SIN Chung-kai

(Total : 6 Members)

Clerk Miss Odelia LEUNG Hing-yee

Legal Adviser Ms Bernice WONG

Date 15 January 2001