

LAND (MISCELLANEOUS PROVISIONS)(AMENDMENT) BILL 2002
Bills Committee Meeting on 11 November 2002

Consolidated Response to Comments Raised by Utility Undertakers
From 23 October 2002 to 5 November 2002

Abbreviated Organisation Name

PCCW	Pacific Century Cyber Network	NWT	New World Telephone
NTT	Wharf New T &T	HGC	Hutchison Global Crossing
Cable	Cable TV	HKE	Hong Kong Electric Company
		HKGBCA	Hong Kong General Building Contractors Association Ltd.

Item No.	Comment	Utility Undertakers raising the comment	Administration's Response
1.	'Inspection fees' should not be collected from utility undertakers. Law enforcement handled by other departments is not charged through a fee.	HGC, NTT, HKGBCA	The daily charge of \$32 is not related to law enforcement, but is a service rendered. See our paper to the Bills Committee of 11 November 2002 for details.
2.	It is bad for the business environment of the requirement of jail for contravening s10Q1 of the Bill as company directors may end up in jail for having done no wrong.	HGC, PCCW, NTT, NWT, HKE, Cable	We have mentioned in the Bills Committee meeting on 24 October 2002 that we will replace the jail sentence in relation to s 10Q1 by a fine of \$200,000.

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3.	It is also bad for the business environment of the requirement that the nomination of the nominated permittee has to be approved under s.10Fc by the Authority and the Authority can withdraw its approval under s.10I. Withdrawal of approval can disrupt operation on site. Better to dispense with the approval system.	HGC,PCCW, NTT, HKE	Withdrawal of nomination does not mean the contractor loss his right to continue with the work, only the responsibility is shifted back to the permittee himself. Approval system is necessary to guarantee the ability to comply with permit conditions by nominated permittees. We are considering setting up approved list system under for the purpose of s10Fc. We will not withdraw approval of nomination under s 10I for no good reasons. Withdrawal under one permit should not affect the operation of the other permits provided that their performance is satisfactory. We do not want to disturb excavation works or commercial operations.
4.	Should set up one stop shop within 'Works Bureau', who will arbitrate between conflicting requirements between difference government department and lower the cost of liaison by utility undertakers.	NWT	'One stop shop' is just a term or a concept. HyD is now currently implementing a streamlined approach which can achieve the same effect. The streamlined procedures have been applied in the Hong Kong Region and is successful, it will be extended to other areas.
5.	Fees should not be based on government employees' salary, as they are higher than market rates.	NWT	Salaries of government employee are following market trend
6.	To change the drafting of s. 4(b) to expand the reasons for delay of starting the running of a permit.	HKE	We do not think this necessary. Section 4(b) is to cater for something fundamental, namely the land cannot be handed over. All other situations can be handled by extension of time clause. In this way, things can be simpler.

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7.	Economic charge should not be levied for duration when lanes are fully opened.	HKE	Calculation of economic charges is conceptual and just provides a basis for encouraging timely completion. Many unquantifiable factors are not taken into account such as lost of business etc.
8.	The utilities is too dense to have any formula to accurately estimate the time required for completion.	HKGBCA	We must rely on some methodology to get the system working, and have it reviewed later. Otherwise we cannot solve Hong Kong's road opening problem.
9.	The dense underground utility is due to too narrow pavement, unless there is a solution to improve the situation, charging of economic cost is unfair to the contractor who may have to ultimately bear all risk.	HKGBCA	To wait for the situation of the underground utility to improve before we impose economic charge means we can never have a means to encourage timely completion of street excavations.
10.	It will make no difference to the smooth progress of work irrespective of the Bill is passed or not.	HKGBCA	The public has high expectation on the Bill.