

立法會
Legislative Council

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Finance Committee of the Legislative Council

**Minutes of the 11th meeting
held at the Legislative Council Chamber
on Friday, 10 May 2002, at 2:30 pm**

Members present:

Dr Hon Philip WONG Yu-hong (Chairman)
Hon NG Leung-sing, JP (Deputy Chairman)
Hon Kenneth TING Woo-shou, JP
Hon James TIEN Pei-chun, GBS, JP
Hon Cyd HO Sau-lan
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, JP
Hon LEE Cheuk-yan
Hon Eric LI Ka-cheung, JP
Dr Hon David LI Kwok-po, GBS, JP
Hon Fred LI Wah-ming, JP
Dr Hon LUI Ming-wah, JP
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, JP
Hon James TO Kun-sun
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching, JP
Hon CHAN Kwok-keung
Hon CHAN Yuen-han, JP
Hon Bernard CHAN
Hon CHAN Kam-lam
Hon LEUNG Yiu-chung
Hon SIN Chung-kai
Hon Andrew WONG Wang-fat, JP
Hon WONG Yung-kan
Hon Jasper TSANG Yok-sing, JP
Hon Howard YOUNG, JP

Dr Hon YEUNG Sum
Hon YEUNG Yiu-chung, BBS
Hon LAU Chin-shek, JP
Hon LAU Kong-wah
Hon LAU Wong-fat, GBS, JP
Hon Miriam LAU Kin-yee, JP
Hon Ambrose LAU Hon-chuen, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon CHOY So-yuk
Hon Andrew CHENG Kar-foo
Hon SZETO Wah
Hon Timothy FOK Tsun-ting, SBS, JP
Hon LAW Chi-kwong, JP
Hon TAM Yiu-chung, GBS, JP
Dr Hon TANG Siu-tong, JP
Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, JP
Hon Henry WU King-cheong, BBS
Hon Tommy CHEUNG Yu-yan, JP
Hon Michael MAK Kwok-fung
Hon Albert CHAN Wai-yip
Hon LEUNG Fu-wah, MH, JP
Dr Hon LO Wing-lok
Hon WONG Sing-chi
Hon Frederick FUNG Kin-kee
Hon IP Kwok-him, JP
Hon LAU Ping-cheung
Hon Audrey EU Yuet-mee, SC, JP
Hon MA Fung-kwok

Members absent:

Dr Hon David CHU Yu-lin, JP
Hon Martin LEE Chu-ming, SC, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP

Public officers attending:

Miss Denise YUE, GBS, JP	Secretary for the Treasury
Mr Stanley YING, JP	Deputy Secretary for the Treasury
Mr K K LAM	Principal Executive Officer (General), Finance Bureau
Mr Michael WONG	Deputy Secretary for Security

Mr Alan CHU	Principal Assistant Secretary for Security (D)
Ms Joyce TAM	Principal Assistant Secretary for Information Technology and Broadcasting
Mr WONG Tat-po, IDSM	Deputy Director of Immigration
Mr WONG Wai-man, Raymond, IMSM	Assistant Director of Immigration (Acting)
Mr LAI Chak-man, Albert	Chief Systems Manager of Immigration Department
Mr TSOI Hon-kuen	Principal Immigration Officer of Immigration Department
Mr Alfred C W NG	Assistant Director of Information Technology Services
Mr Donald TONG	Deputy Secretary for the Environment and Food
Ms Annie CHOI	Principal Assistant Secretary for the Environment and Food
Miss Eliza YAU	Principal Assistant Secretary for Security (E)
Mr P E HALLIDAY	Assistant Commissioner of Police
Mr HUI Kai-ling	Chief Systems Manager of Hong Kong Police Force
Ms Doris CHEUNG	Principal Assistant Secretary for Transport
Mr K K SIN	Assistant Commissioner for Transport

Clerk in attendance:

Ms Pauline NG	Assistant Secretary General 1
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Staff in attendance:

Miss Polly YEUNG	Chief Assistant Secretary (1)3
Miss Yvonne YU	Senior Assistant Secretary (1)4

Action

Item No. 1 - FCR(2002-03)10

**RECOMMENDATIONS OF THE PUBLIC WORKS SUBCOMMITTEE
MADE ON 17 APRIL 2002**

At the request of Mr Kenneth TING to consider and vote on PWSC(2002-03)7 separately, the Chairman put FCR(2002-03)10, except PWSC(2002-03)7, to vote. Mr LAU Ping-cheung declared interest as his firm

might bid for some of the projects proposed under FCR(2002-03)10.

2. The Committee approved the item.

**PWSC(2002-03)7 71KA Purchase and fitting out of office
accommodation for the Equal
Opportunities Commission**

3. In explaining his request to consider and vote on PWSC(2002-03)7 separately, Mr Kenneth TING recapped his concerns raised at the Public Works Subcommittee (PWSC) meeting on 17 April 2002 about the relatively high estimated purchase price. He was of the view that the Equal Opportunities Commission (EOC) needed not be located in Wan Chai North as at present and pointed out that office premises in Wan Chai South, which were also well served by public transport, could be acquired at a much cheaper price.

4. The Chairman informed members that Mr Kenneth TING had notified him of his request to consider and vote on PWSC(2002-03)7 separately just before the commencement of the meeting. As the Administration was not aware of the request beforehand, it had not arranged for the responsible officers to attend the meeting and answer members questions on the item. In order that members had the opportunity to seek explanation from the Administration, Mr Kenneth TING therefore moved that discussion on PWSC(2002-03)7 be adjourned. The Chairman then invited members to speak on Mr TING's motion.

5. Mr HUI Cheung-ching supported Mr Kenneth TING's motion. Mr CHAN Kam-lam referred to the concerns raised by some members at the PWSC meeting and agreed that consideration of PWSC(2002-03)7 should be deferred and that the Administration should submit a revised proposal with a lower estimated cost for the purchase and fitting out of office accommodation for members' consideration.

6. Dr Raymond HO, Chairman of PWSC, concurred that the Administration should put up a revised proposal with a view to addressing members' concerns. Mr James TIEN shared the view that the Administration should re-examine the estimated cost for the office accommodation and submit a revised proposal. He also considered it incumbent upon members of Finance Committee (FC) to raise query if they did not find the proposed expenditure acceptable.

7. Mr Henry WU said that the proposal should be further examined and he could not support the proposal in its present form. While reiterating his reservation about the payback period of 15 to 16 years for the purchase of permanent office premises, he was of the view that consideration should be given to leasing office premises instead.

8. Mr IP Kwok-him recapped that both the Administration and EOC had taken note of members' concerns raised at the PWSC meeting for consideration. He said that Members of the Democratic Alliance for Betterment of Hong Kong (DAB) would like the Administration to give an assurance that it would make the best endeavour to seek suitable office premises for EOC at the most favourable price. However, he agreed that to facilitate meeting arrangements, individual members should give prior notice of his intention to request separate discussion and voting on certain items considered by PWSC.

9. Mr Abraham SHEK agreed with the purchase of office premises for EOC. However, he shared some members' concern that suitable accommodation could be acquired at a lower cost and supported Mr Kenneth TING's motion to adjourn discussion on the item pending more information from the Administration.

10. On the procedural aspects, Miss Emily LAU noted that PWSC(2002-03)7 had been considered and endorsed by the PWSC on 17 April 2002 and was therefore included in a composite paper for approval by FC. On this occasion, it appeared that in the absence of any specific request in advance from members to consider and vote on the item separately, arrangements had not been made for the subject officers to attend the meeting. In this connection, the Clerk to FC confirmed that in endorsing the item, members also raised a number of concerns at the PWSC meeting for the Administration/EOC's consideration. As the Administration had not provided a further response to members' suggestions and views, some members might therefore wish to seek clarification.

11. Mr Albert CHAN agreed with EOC's need for office accommodation and expressed support for the present item on behalf of Members of the Democratic Party (DP). He saw no justification in deferring consideration of the present item which had already been revised after the Administration and EOC had taken into consideration Members' views expressed at the Home Affairs Panel.

12. Ms LI Fung-ying declared that she was a member of EOC. On the location of office accommodation, she confirmed that EOC had no particular preference for Wan Chai and was open to the choice of location as long as it was easily accessible by the mass transit railway or other means of public transport and barrier-free for persons with disabilities. She pointed out that the estimated cost proposed in the paper also reflected the need to purchase relatively new buildings as they would be better equipped with barrier-free access facilities. Nevertheless, the funding being sought was only the upper limit which might not necessarily be exhausted if suitable accommodation at a lower price could be identified. Ms LI said that although members had raised their respective concerns at the PWSC meeting, they had not indicated that the

Administration should revise the proposal when seeking funding approval from FC. As such, she did not see the justification for FC to adjourn discussion on the item.

13. Dr YEUNG Sum also questioned the need to defer decision on the item as it had already been re-considered by the Administration and members on past occasions. Moreover, the present item had been endorsed by PWSC with no member raising objection to it.

14. The Deputy Secretary for the Treasury noted members' concerns about the estimated cost for acquiring office accommodation for EOC as recorded in the relevant minutes of the PWSC meeting. He remarked that if members considered it necessary to re-visit the item before taking a decision, it would be desirable to arrange for the attendance of the subject officers to answer members' questions. Arrangements had not been made on this occasion as the Administration was not aware of Mr Kenneth TING's request prior to the meeting.

15. Mr Eric LI said that if it was agreed that discussion on the present item be adjourned, the Administration should take into account members' views and concerns and put up a revised item for members' consideration in due course. He further enquired whether the grade of office accommodation to be acquired for EOC would be comparable to that for the Ombudsman.

16. In reply, the Secretary for the Treasury (S for Tsy) recalled that the estimated cost per square metre of office accommodation for the Ombudsman was higher than that currently proposed for the office accommodation for EOC under paper PWSC(2002-03)7. Having taken into account the actual purchase price of Grade B office premises by the Ombudsman which was lower than the upper limit for which funding approval was given, the Administration had adjusted downwards the estimated cost for acquiring office accommodation for EOC under the present proposal. She re-affirmed the position of the Administration and EOC that they remained open to the choice of location and the grade of office accommodation, as long as it could meet the criteria of convenient location and barrier-free accessibility. S for Tsy assured members that where suitable accommodation could be acquired at a price below the approved ceiling, a mechanism was in place for the Finance Bureau to freeze the unspent balance so that the bureau concerned could not use it for other purposes.

17. On some members' view that the Administration should put up a revised proposal taking into account the concerns expressed at the PWSC meeting, S for Tsy recalled that no such specific request had not been put up for the Administration's consideration. Moreover, since the item had been voted on and endorsed by PWSC in its present form, the Administration did not consider it appropriate to revise it when seeking FC's approval.

18. Mr Albert CHAN pointed out that in formulating the present proposal, both the Administration and EOC had taken on board many of members' suggestions. He recalled that at the PWSC meeting, members endorsed the item without specifying any condition for approval by FC. As such, he saw no grounds in deferring the item as this might be construed as targeting at EOC. He stated that Members of the DP would object to adjourning the discussion on the item.

19. In this connection, Mr IP Kwok-him stressed that even if Members of DAB would support Mr Kenneth TING's motion to adjourn discussion on the item to enable members to further consider the item, this should not be taken to mean that they were against EOC. He requested their position be put on record.

20. Mrs Selina CHOW said that there was no intention to overturn the decision of PWSC on the item. However, given that some FC members were not members of PWSC and in view of the concerns raised, she considered it appropriate to provide a further opportunity to enable members to seek clarification from the Administration.

21. Mr Albert HO remarked that as the two subcommittees under FC were respectively tasked to examine staffing proposals and public works proposals, it would defeat the purpose of these subcommittees in assisting FC if their recommendations could be easily overturned. In this regard, the Chairman recalled that there had been past occasions on which requests had been raised at FC meetings for certain PWSC items to be considered and voted on separately.

22. Mr Andrew WONG concurred that in endorsing the present item at the PWSC meeting, members had not indicated that funding approval would be subject to any condition or revision. Expressing support for the present item, he stated that he would object to the procedural motion to adjourn discussion on the item.

23. On the procedural arrangements on the withdrawal of agenda items and the adjournment of discussion, the Clerk advised that in accordance with the relevant provisions in the FC Procedure and past practice, it would be up to the Administration to decide whether or not to withdraw an agenda item having regard to members' views. In the event that the Administration would not withdraw the item despite members' request, pursuant to paragraph 39 of the FC Procedure, a member of FC could move without notice that discussion on an item or further proceedings of the Committee be adjourned. Thereupon, the Chairman shall put the question on the motion to adjourn. She added that paragraph 39 of the FC Procedure was adapted from Rule 40 of the Council's Rules of Procedure which set out the arrangements for adjournment of debate or proceedings of a Committee of the whole Council.

24. The Chairman put Mr Kenneth TING's motion to adjourn discussion on PWSC(2002-03)7 to vote. 28 members voted for the motion, 19 members voted against and 2 abstained :

For:

Mr Kenneth TING Woo-shou
 Dr Raymond HO Chung-tai
 Mr NG Leung-sing
 Mr HUI Cheung-ching
 Mr CHAN Kam-lam
 Mr WONG Yung-kan
 Mr Howard YOUNG
 Mr LAU Kong-wah
 Ms Miriam LAU Kin-yee
 Miss CHOY So-yuk
 Dr TANG Siu-tong
 Mr Henry WU King-cheong
 Mr LEUNG Fu-wah
 Mr IP Kwok-him
 (28 members)

Mr James TIEN Pei-chun
 Dr LUI Ming-wah
 Mrs Selina CHOW LIANG Shuk-yee
 Mr CHAN Kwok-keung
 Mr LEUNG Yiu-chung
 Mr Jasper TSANG Yok-sing
 Mr YEUNG Yiu-chung
 Mr LAU Wong-fat
 Mr Ambrose LAU Hon-chuen
 Mr TAM Yiu-chung
 Mr Abraham SHEK Lai-him
 Mr Tommy CHEUNG Yu-yan
 Dr LO Wing-lok
 Mr LAU Ping-cheung

Against:

Ms Cyd HO Sau-lan
 Mr LEE Cheuk-yan
 Mr James TO Kun-sun
 Mr SIN Chung-kai
 Dr YEUNG Sum
 Ms Emily LAU Wai-hing
 Mr SZETO Wah
 Ms LI Fung-ying
 Mr Albert CHAN Wai-yip
 Mr Frederick FUNG Kin-kee
 (19 members)

Mr Albert HO Chun-yan
 Mr Fred LI Wah-ming
 Mr CHEUNG Man-kwong
 Mr Andrew WONG Wang-fat
 Mr LAU Chin-shek
 Mr Andrew CHENG Kar-foo
 Mr LAW Chi-kwong
 Mr Michael MAK Kwok-fung
 Mr WONG Sing-chi

Abstention:

Ms Audrey EU Yuet-mee
 Mr MA Fung-kwok
 (2 members)

25. The motion was carried.

26. Discussion on the item was adjourned.

Item No. 2 - FCR(2002-03)11**CAPITAL WORKS RESERVE FUND****HEAD 710 - COMPUTERISATION****Immigration Department****♦ Subhead A029YF Hong Kong Special Administrative Region Identity Card****HEAD 70 - IMMIGRATION DEPARTMENT****♦ Subhead 001 Salaries**

27. Members noted that the present proposal had been discussed at the Panel on Security on 9 April 2002.

28. Mr Howard YOUNG expressed support for the present proposal and urged for its early implementation. In reply to his enquiry about the increase in office area requirements resulting from the new workflow of the new Registration of Persons (ROP) system, the Deputy Director of Immigration (DD of Imm) explained that after tender had been awarded for Phase 1 of the New Identity Card (ID Card) Project, the Administration was in a better position to ascertain the operation of the new system. Under the proposed arrangement, when an ID Card holder applied for a smart ID Card at one of the New Identity Card Issuing Offices (NICIOs), he would be given an application form with his personal data printed on it and he would be asked to check the accuracy of the information. Arrangements would then be made for him to take photos and make thumbprints at one of the partitioned interviewing booths. Card readers would also be installed at the NICIOs to enable the card holders to browse the data stored in the chip of their smart ID Cards. These arrangements, together with a larger waiting area, had necessitated additional office area requirement.

29. Mr LEUNG Fu-wah supported the present proposal and enquired whether implementation of the new smart ID Card would alleviate the work burden on frontline immigration staff, particularly at the Lo Wu control point, and hence improve their quality of service. In response, the Deputy Secretary for Security (DS(S)) advised that in connection with the use of the new smart ID Card, a feasibility study on automated passenger clearance and another one on automated vehicle clearance were underway. It was envisaged that when these two systems came into operation in 2004-05, the Immigration Department would be able to open many more, if not all, of its 210 counters at the Lo Wu control point and this would greatly facilitate the clearance of passengers.

30. Regarding the period of employment of the 559 contract clerical staff to assist in the ID Card replacement exercise, DD of Imm informed members that the contract staff would be employed for the duration of the ID Card replacement exercise from July 2003 to end June 2007.

31. In response to Mr CHAN Kam-lam's enquiry about the number of ID Card issuing offices in Phases 1 and 2 of the New ID Card Project, DD of Imm elaborated that Phase 1 of the Project was mainly concerned with the development of a new ID Card in the form of a smart card with multi-application capacity and a new supporting computer system. Phase 2 of the Project included the setting up of an additional nine NICIOs on top of the six existing ROP offices. He added that the six existing ROP offices would continue to process some 2 000 normal ID Card applications and replacement of lost cards each day while the new ID Card replacement exercise involving an additional 6 000 cards each day would be handled by the nine NICIOs.

32. On the estimated cost for procurement of the smart ID Card, Ms Emily LAU enquired about the reasons for lowering the estimated cost from \$407,749,000 to \$203,111,000 which represented a drop of 50%. In reply, DD of Imm advised that a lower cost was budgeted for in view of the actual procurement cost of a blank smart ID Card for Phase 1 of the Project. The unit cost for each card offered by the final four shortlisted tenderers in Phase 1 was in the region of \$30 to \$40 and their products were able to satisfy all the quality requirements. DD of Imm attributed the lower unit cost to market competition. As for the 5.9 million customized blank smart ID Cards for which a separate tender exercise would be conducted, DD of Imm anticipated that in the light of the experience in Phase 1, it was possible that the Administration would be able to procure the same blank cards at a similar or even lower cost.

33. In reply to Mr Henry WU about the estimated recurrent cost of \$8,100,000 for the additional cost of 540 000 blank smart ID Cards, DD of Imm clarified that at present, the unit cost for ID Cards currently issued by ROP offices was \$20 and the total cost had been included in the Immigration Department's recurrent annual expenditure. However, since the estimated cost for each smart ID Card was about \$35, it was necessary to include an additional unit cost of \$15 for future ID Cards issued by the ROP offices in the Department's recurrent annual expenditure.

34. On the non-recurrent expenditure relating to in-house staff costs which represented a 3.2% increase when compared with those for Phase 1 of the Project, DD of Imm clarified that the project team for system development and implementation of the new ROP system comprised officers from the Immigration Department, Information Technology Services Department and General Grades staff who joined the team at different times. Hence, there was an increase of 3.2% as a result of the updating of the staff cost effective from April 2001. As to the recurrent staff costs, a total of 22 staff were involved in round-the-clock management of the system and in manning a help desk. As these 22 staff joined the Project at the same time, the increase in estimated cost due to the updating of the staff cost effective from April 2001 was 2.8%.

35. In reply to Ms Emily LAU on whether the estimated staff costs would be lowered correspondingly if a reduction in civil service pay was implemented later this year, DS(S) advised that as it was difficult to predict future salary adjustments, it had been the usual practice for the Administration to make the best estimate on staff costs based on the existing level of salary. In this connection, S for Tsy informed the meeting that if a reduction in civil service pay was implemented, an administrative arrangement would be taken out to freeze the savings in staff costs resulting from the pay reduction under each Head of Expenditure.

36. The Committee approved the proposal.

Item No. 3 - FCR(2002-03)12

HEAD 106 - MISCELLANEOUS SERVICES

♦ New capital Account Subhead "Capital Injection into Environment and Conservation Fund"

37. Members noted that the Environmental Affairs Panel had been consulted on the present proposal on 22 April 2002.

38. Ms Emily LAU was gravely concerned about the monitoring mechanism for the projects funded by the Environment and Conservation Fund (ECF) and asked if there were sufficient manpower resources with professional knowledge to carry out surprise checks on the progress of the projects.

39. In response, the Deputy Secretary for the Environment and Food (DS(EF)) assured members that sufficient manpower had been designated under the existing staffing establishment to carry out visits or surprise checks to ensure that the funded projects progressed in a satisfactory manner and that public funds were put to proper use. According to past experience, the monitoring mechanism had worked effectively in ensuring that funded projects would achieve the planned objectives and deliverables, and that funds would be used in accordance with the approved purpose.

40. Noting that 647 funding applications had been approved by 31 March 2002, Ms Emily LAU asked whether sufficient manpower resources had been provided to follow up the projects. The Principal Assistant Secretary for the Environment and Food (PAS(EF)) clarified that the number was the cumulative total for the past eight years and confirmed that sufficient manpower resources had been provided in each secretariat of the vetting committee.

41. On the vetting of the funding applications, PAS(EF) advised that as the research and technology demonstration projects were often technical in nature,

the vetting of these projects would involve professionals from both within and outside the Government. On the other hand, the monitoring criteria of community waste recovery projects and other educational, promotional and community involvement projects were mainly to ensure that the funded projects could achieve the planned targets and objectives. PAS(EF) supplemented that to facilitate monitoring, project proponents would also be required to submit regular progress reports to the secretariat of the vetting body. The approved amount under the ECF would be disbursed by instalments instead of in one go. Except for the first disbursement, all subsequent disbursements would only be released upon satisfactory progress or completion of projects.

42. Miss CHOY So-yuk welcomed the proposed capital injection of \$100 million into ECF and asked whether this amount would be sufficient to fund ECF applications in the coming few years. In response, DS(EF) advised that the Finance Committee (FC) had approved an injection of \$50 million into the Fund twice and this was the third time that the Administration sought approval for capital injection. The past two injections amounting to \$100 million together with the total interest of \$20 million accrued over the past eight years had been fully committed to finance projects. He said that based on the number and scale of approved projects in the past, a further capital injection of \$100 million should be sufficient to fund eligible projects in the next few years. Nevertheless, the Administration would closely monitor the situation and seek funding approval from FC if necessary.

43. On the funding for different categories of projects, Miss CHOY So-yuk was concerned whether the allocation to the category of research and technology demonstration projects (expected to take up only about 10% of the Fund) could be increased. In response, DS(EF) advised that the projected percentages of funding for community waste recovery projects, educational projects as well as research and technology demonstration projects were only meant to be an indicative distribution of funds based on past experience. To ensure that worthwhile projects would receive funding support, the ECF Committee would regularly review the allocation to each category and make adjustments as and when necessary. In this connection, Miss CHOY remarked that while the demand for research and technology demonstration projects might be comparatively low, the importance of this category of projects must not be overlooked. The Administration took note of her view.

44. On Miss CHOY So-yuk's suggestion for promoting waste recovery and recycling activities in public housing estates by waiving the rent of premises for such purposes, DS(EF) informed members that the Administration had held discussion with the Hong Kong Housing Authority (HKHA) and the Hong Kong Housing Society (HKHS). While HKHA and HKHS were supportive of efforts to encourage waste recovery and recycling activities, it would be up to the two housing bodies to decide whether rental concession should be

granted. Nevertheless, the Administration would continue to liaise with the HKHA and HKHS in this respect. Sharing Miss CHOY So-yuk's views, Mr LEUNG Yiu-chung urged the Administration to take a more proactively role and greater initiative to promote waste recovery and recycling activities in public housing estates.

45. Referring to the funding guidelines for community waste recovery projects, Mr LEUNG Yiu-chung noted that no funding support would be given for full time administrative staff, and that funding for part-time project co-ordinators/assistants should not exceed one-third of their monthly salaries. Mr LEUNG queried the usefulness of such guidelines and was worried that implementation of the projects would be unduly constrained. Mr LEE Cheuk-yan considered that the Administration should provide greater flexibility in the funding guidelines for community waste recovery projects. He pointed out that the operation of the projects might be adversely affected by the lack of funding to engage suitable administrative staff to co-ordinate and steer the projects. Their views were shared by Ms Emily LAU.

46. In response, DS(EF) clarified that funding support was available for the direct labour cost involved in waste collection, separation and recycling etc. and the actual amount to be granted would depend on the modus operandi of the projects. As the grants for each project normally would not exceed \$500,000, the Administration considered it important that administrative costs should not take up a sizable portion of the grant at the expense of waste recovery work per se. He assured members that each funding application would be considered on its merits. If the project proponent could provide sufficient justification for deviating from the funding guidelines, the relevant vetting committee would be prepared to consider the case. The Administration also would keep in view the operation of the funding guidelines where necessary, consider introducing adjustment. Nevertheless, having regard to past experience, the Administration considered that the existing funding guidelines were the most appropriate arrangement for the time being.

47. Mr LEE Cheuk-yan considered that the criteria for assessing the merits of individual funding applications should include the creation of job opportunities. He expressed his support for community waste recovery projects as this category of projects would be more effective in creating job opportunities.

48. Miss CHOY So-yuk, considered that there should be restriction on funding for engaging part-time project coordinators/assistants. She did not see the need to engage full time administrative staff and agreed that the bulk of the grant should be spent on waste recovery work per se. In her view, the one-off payment subject to a ceiling of \$20,000 for basic renovation of premises necessary for the project and for implementing measures to mitigate potential problem was appropriate.

49. In response to Ms Emily LAU's enquiry on whether the sorted materials would be disposed of at landfills, DS(EF) advised that in their progress reports submitted to the secretariat of the vetting body, project proponents would be required to provide information such as the implementation progress, problems encountered, remedial measures taken to tackle problems encountered, and interim findings of the project. The monitoring mechanism would ensure that the sorted materials would be used for recycling and not disposed of inappropriately.

50. The Committee approved the proposal.

Item No. 4 - FCR(2002-03)13

CAPITAL WORKS RESERVE FUND

HEAD 710 - COMPUTERISATION

Hong Kong Police Force

♦ New Subhead "Upgrading of Communal Information System in the Hong Kong Police Force"

51. Members noted that the Security Panel had been consulted on the present proposal on 7 February 2002.

52. Noting that failure to upgrade the infrastructure supporting Communal Information System (CIS) would lead to degradation of system performance and interruption of services, Mr Henry Wu queried why the Administration had not anticipated such a scenario when CIS was introduced in 1997. In response, the Assistant Commissioner of Police advised that CIS was set up with an initial capacity to support five years' operation on the basis of the best estimate of system transaction growth. In consideration of the fast growth in new computer technology development and the necessary overheads incurred by a system upgrade, forward capacity planning of five years was considered appropriate for large-scale computer systems. He informed members that since the launch of CIS, the Hong Kong Police Force (HKPF) had proactively monitored the system periodically and applied systematic measures to capture actual usage information to ensure that it was running in a healthy state. In February 2001, HKPF commenced a 5-year server capacity planning exercise for the CIS to size up its server capacity up to 2006. While it was very difficult to calculate server capacity accurately, the proposed upgrading of CIS represented a comprehensive estimate for the next five years. The present proposal would ensure system capacity for growth up to end of 2006. Meanwhile, capacity utilization would be monitored regularly and the next major capacity review would be conducted in 2004.

53. The Committee approved the proposal.

Item No. 5 - FCR(2002-03)14**CAPITAL WORKS RESERVE FUND****HEAD 708 - CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT****Transport Department****♦ New Subhead "Installation of electronic audible traffic signal"**

54. Members noted that the Transport Panel had been consulted on the present proposal on 26 April 2002.

55. Mr CHAN Kam-lam said that whilst members of the Transport Panel supported in principle the provision of the electronic audible traffic signals (e-ATS) to cater for the needs of the visually impaired, some Panel members had expressed grave concern about the noise nuisance caused by e-ATS to residents nearby. He asked whether the Administration had made reference to overseas experience and explored the use of a remote sensor to activate the e-ATS to minimize the noise nuisance.

56. In response, the Assistant Commissioner for Transport (AC for T) advised that the Administration had all along kept in view the latest technology of enhancing road safety for the visually impaired. He attended the International Conference on Transport for the Elderly and Disabled 2001 held in Poland in August 2001 at which activating systems as well as other sophisticated facilities for the disabled were discussed by participants. He nevertheless pointed out that such remote systems were either at a conceptual stage or being tried out in small-scale applications overseas. Hence, the technology was not mature enough for wide applications. The Administration would continue to monitor the development of such systems and where appropriate, explore the feasibility of their adoption in Hong Kong.

57. Mr LAU Kong-wah said that while he agreed with the objective of the proposal to enhance the safety of the visually impaired when using the pedestrian crossing facility provided at signalized junctions, he was gravely concerned that the output sound level of the e-ATS set at 3 decibels (dB) to 12 dB above ambient noise level and their maximum output up to 90dB. Although the Administration had agreed to limit the output level of the e-ATS to ensure that the nearest noise sensitive receiver (i.e. local residents in the vicinity) would be subject to a noise level of 70dB or below, Mr LAU queried whether the Administration should take forward the present proposal merely on the basis of a pilot scheme conducted at only four locations. At the request of Mr LAU Kong-wah, AC for T undertook to take the following actions :

Admin

- (a) The Administration would adjust the output sound level of the e-ATS if complaints on noise nuisance were received after the installation or retrofitting of the 11 400 units of e ATS at

signalized junctions with pedestrian crossings; and

- (b) The Administration would replace the first batch of some existing 6 000 units of electro-mechanical type of ATS installed at signalized pedestrian crossings and then report back to the Transport Panel. Afterwards, the remaining some 5 000 units of e-ATS would be installed at all other signalized pedestrian crossings currently without audible devices.

58. Ms Emily LAU said that given the crowded conditions in Hong Kong and the possible noise nuisance caused by e-ATS, the Administration should take forward the present proposal with utmost caution.

59. Ir Dr Raymond HO expressed support for the present proposal. He recalled that at the Transport Panel meeting, he had suggested the use of a remote sensor to activate e-ATS as in the case of in Canada. Ir Dr HO further said that apart from the output sound level, the pitch of the sound could also cause nuisance to nearby residents. As such, he considered that apart from limiting the noise level to 70dB or below, the Administration should also set a specific requirement on the pitch of the e-ATS. In response, AC for T informed members that the Administration had already identified an acceptable pitch through the laboratory of the Hong Kong Polytechnic University and was negotiating with the suppliers on the requirement.

60. Mr Andrew CHENG recalled that at the Transport Panel meeting, members generally supported the proposal. He was pleased to note that the Administration had acceded to Panel members' request to limit the output level of the e-ATS to a noise level of 70dB or below. He said that he had recently received views from certain organizations for the visually impaired that the current sound level of ATS for 68dB was not sufficient and that complaints concerning the nuisance caused by the ATS sound were limited. To facilitate members' consideration, Mr CHENG requested the Administration to provide the number of relevant complaints received in the past three years. He also asked how the Administration would balance the needs of the visually impaired and the residents over the output sound level.

61. In response, AC for T clarified that the current ATS sound level of 68dB and the proposed e-ATS sound level of 70dB were measured on two different bases. While the current ATS sound level was measured at one meter from source, the proposed e-ATS sound level was measured at the source. He stressed that the e-ATS had the capability to adjust automatically their output sound level in response to changes in ambient noise level. For instance, at night time when the environment was quiet, the e-ATS output would be reduced automatically to 50 to 53dB. The e-ATS were hence able to cater for the needs of the visually impaired and the concerns of local residents. On the existing some 6 000 units of ATS, AC for T advised that the Administration

had received 16, 31 and 49 complaints in 1999, 2000 and 2001 respectively. While 65% of the complaints were from nearby residents relating to the nuisance caused by the ATS sound, the remaining 35% of the complaints were from the visually impaired urging for 24-hour operation at all signalized pedestrian crossings.

62. In response to Ms Emily LAU's enquiry about the vibrating unit of e-ATS, AC for T advised that the e-ATS had the capability to adjust automatically their output sound level in response to changes in ambient noise level. A vibrating unit would also be included where necessary as an option of the e-ATS, which was capable of indicating whether a crossing was on "red" or "green" lights. This was particularly useful at those junctions with a number of signalized pedestrian crossings.

63. Dr YEUNG Sum said that Members of DP were in support of the proposal. He said that his Member's Office did receive complaints from residents in the public housing estates about the noise nuisance caused by the existing electro-mechanical type of ATS. He asked the Administration to closely monitor the operation the e-ATS in future.

64. Mrs Selina CHOW said that Members of LP supported the present proposal. Highlighting the urgent need to enhance road safety for the visually impaired, she urged the Administration to expedite the installation programme. In particular, she queried why it would take almost two years from pre-qualification of tenderers in September 2002 to completion of installation on site in July 2004. In response, AC for T confirmed that the Administration had all along prepared for the implementation of the proposed e-ATS project. Although the e-ATS were widely available and being used in many countries, the Transport Department would need to assess products from different suppliers to ensure that the specific design requirements were met. As undertaken at the Transport Panel meeting, the Administration would review the implementation plan and where possible, compress the timetable for pre-qualification and tender so as to expedite the installation works. The Administration would report progress of implementation to the Transport Panel in due course.

Admin

65. Ir Dr Raymond HO shared Mrs Selina CHOW's view and considered that the proposed e-ATS project could be expedited by at least from four to five months. He also urged the Administration to examine proactively the feasibility of adopting a remote sensor system in Hong Kong.

Admin

66. The Committee approved the proposal.

67. The Committee was adjourned at 4:25 pm.

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