

立法會
Legislative Council

LC Paper No. CB(1)1053/10-11
(These minutes have been seen
by the Administration)

Ref : CB1/PL/DEV/1

Panel on Development

Minutes of meeting
held on Tuesday, 23 November 2010, at 2:00 pm
in the Chamber of the Legislative Council Building

Members present : Prof Hon Patrick LAU Sau-shing, SBS, JP (Chairman)
Hon LAU Wong-fat, GBM, GBS, JP (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon CHEUNG Hok-ming, GBS, JP
Hon KAM Nai-wai, MH
Hon Cyd HO Sau-lan
Hon Starry LEE Wai-king, JP
Dr Hon Priscilla LEUNG Mei-fun
Hon IP Kwok-him, GBS, JP
Hon Mrs Regina IP LAU Suk-yea, GBS, JP
Hon Paul TSE Wai-chun
Hon Alan LEONG Kah-kit, SC
Hon Tanya CHAN
Hon Albert CHAN Wai-yip

Member attending : Hon LI Fung-ying, BBS, JP

Members absent : Dr Hon Philip WONG Yu-hong, GBS
Hon WONG Yung-kan, SBS, JP
Hon Timothy FOK Tsun-ting, GBS, JP

Public officers attending : **Agenda item IV**

Mrs Carrie LAM CHENG Yuet-ngor, GBS, JP
Secretary for Development

Mr Enoch LAM Tin-sing, JP
Deputy Secretary for Development (Works)2

Mr LEE Shing-see, GBS, OBE, JP
Chairman of Construction Industry Council

Dr Joseph CHOW Ming-kuen, JP
Chairman of Construction Workers Registration Authority

Agenda item V

Mrs Carrie LAM CHENG Yuet-ngor, GBS, JP
Secretary for Development

Mrs Jessie TING Yip Yin-mei, JP
Deputy Secretary for Development (Works)1

Mrs Laura ARON
Commissioner for Heritage
Development Bureau

Agenda item VI

Mrs Carrie LAM CHENG Yuet-ngor, GBS, JP
Secretary for Development

Mr Enoch LAM Tin-sing, JP
Deputy Secretary for Development (Works)2

Mr Stephen CHAN Hung-cheung, JP
Director of Electrical and Mechanical Services

Mr CHIN Chu-sum, JP
Assistant Director/Customer Services
Water Supplies Department

Dr Liza TO May-kei
Principal Medical and Health Officer (4)
Department of Health

Clerk in attendance : Mr Stephen LAM
Chief Council Secretary (1)4

Staff in attendance : Mr Simon CHEUNG
Senior Council Secretary (1)1

Ms Sharon CHUNG
Senior Council Secretary (1)5

Ms Christina SHIU
Legislative Assistant (1)7

Action

- I Confirmation of minutes**
(LC Paper No. CB(1)468/10-11 -- Minutes of meeting on
21 October 2010)

The minutes of the meeting held on 21 October 2010 were confirmed.

- II Information papers issued since the last meeting**
(LC Paper No. CB(1)417/10-11(01) -- Administration's paper on
Capital Works Reserve
Fund Block Allocations
for 2011-2012)

- LC Papers No. CB(1)427/10-11(01) -- Issues raised at the meeting between Legislative Council Members and North District Council members on 3 June 2010 relating to control over repairs to squatter huts under the Buildings Ordinance (Cap. 123)
- LC Paper No. CB(1)463/10-11(01) -- Submission on compulsory sale of buildings from a concern group (強制樓宇拍賣苦主大聯盟) dated 25 October 2010)

2. Members noted that the above information papers had been issued since the meeting on 26 October 2010.

III Items for discussion at the next meeting

- (LC Paper No. CB(1)467/10-11(01) -- List of outstanding items for discussion
- LC Paper No. CB(1)467/10-11(02) -- List of follow-up actions
- LC Paper No. CB(1)514/10-11(01) -- Letter dated 18 November 2010 from Hon WONG Kwok-hing on leakage problem of water mains in housing estates)

3. Regarding Mr WONG Kwok-hing's letter requesting the Panel to discuss the leakage problem of water mains in housing estates (LC Paper No. CB(1)514/10-11(01)), the Chairman sought Mr Wong's views on whether it would be more appropriate to hold the discussion at the Subcommittee on Building Safety and Related Issues. Mr WONG opined that, as the issue involved water mains in public housing estates and was not related to the conditions of buildings, it should be discussed by the Panel as soon as possible and representatives from the Water Supplies Department should be invited to attend the meeting. The Chairman said that the item would be added to the list of outstanding items for discussion and the Administration would be requested to discuss the issue with the Panel as soon as possible.

4. Members agreed that the following items would be discussed at the regular meeting scheduled for 16 December 2010 --

- (a) Planning and Engineering Study on Development of Lok Ma Chau Loop -- Investigation -- Preliminary Outline Development Plan and Stage 1 Public Engagement;
- (b) PWP Item No. 5013GB -- Liantang/Heung Yuen Wai Boundary Control Point and associated works; and
- (c) Work Progress of Development Opportunities Office.

5. Mrs Regina IP suggested that for item (a) above, it might be more effective to discuss the developments of Lok Ma Chau Loop and North East New Territories at the same meeting. She also asked if the Panel would hold a public hearing on these two topics. The Chairman advised that the Panel should received the Administration's briefing first. As to whether the two developments should be discussed at the same meeting, he would seek the Administration's views.

(Post-meeting note: In the Administration's reply dated 25 November 2010, a Recommended Outline Development Plan for the North East New Territories New Development Areas was being formulated and the Stage 3 Public Engagement exercise for the Development would be conducted in early 2011. The Administration planned to brief the Panel on this subject in the first quarter of 2011.)

IV Updating on matters concerning the construction industry

(LC Paper No. CB(1)467/10-11(03) -- Administration's paper on an update on the work of the Construction Industry Council and the Construction Workers Registration Authority and the way ahead

LC Paper No. FS04/10-11 -- Paper on employment statistics in the construction industry prepared by the Research and Library Services

Division of the Legislative
Council Secretariat (Fact
sheet))

6. The Secretary for Development (SDEV) briefed members on the background for the establishment of the Construction Industry Council (CIC) and the Construction Workers Registration Authority (CWRA), the objectives of the two organizations and the proposal to amalgamate the CIC with CWRA. She highlighted that the proposed organizational streamlining could improve the operational efficiency of CIC and the construction workers registration system in the following aspects –

- (a) single statutory body for the construction industry;
- (b) consistent policy and priority setting for the construction industry;
- (c) enhancement of administration and operational efficiency;
- (d) elimination of ambiguity in demarcation of responsibilities of CIC and CWRA; and
- (e) more effective deployment of resources and sharing of information.

7. SDEV advised that the Administration had consulted CIC and CWRA on the organizational streamlining proposal and gained their in-principle support. If the Panel also supported the proposal, the Administration would consult all relevant industry stakeholders and take forward the legislative amendment exercise.

8. The Chairman of CIC briefed members on its major achievements since its establishment in February 2007.

9. The Chairman of CWRA briefed members on the progress of work of CWRA and its collaboration with CIC. He pointed out that it would be necessary to consider legislative amendments to the Construction Workers Registration Ordinance (Cap. 583)(CWRO), taking into account –

- (a) the planned implementation of Phase Two Prohibition, which would prohibit construction workers from undertaking construction works except those trades they had registered for;

- (b) the planned implementation of the Minor Works Control Scheme; and
- (c) industry requests for merging various construction-related cards required under different legislations into a single card.

Consultation with and impact on construction workers

10. Mr WONG Kwok-hing said he had initially consulted the views of the Hong Kong Construction Industry Employees General Union (the Union) on the proposal to amalgamate CIC with CWRA and received a submission from the Union. While the Union supported the amalgamation of the two statutory bodies, it had proposed the Administration to –

- (a) fully consult the relevant labour unions when drafting the legislative amendments;
- (b) include the legislative amendments on registration of different categories of works by workers in the principal legislation, instead of the subsidiary legislation, so as to facilitate the Legislative Council to better monitor the relevant law;
- (c) provide one-stop services for construction workers' registration, merge the various construction-related cards into one, waive or greatly reduce the registration and card fees; and
- (d) increase the number of representatives of the Union and workers in the new organisation.

(Post-meeting note: The submission from the Union was tabled at the meeting and circulated to all members on 24 November 2010 vide LC Paper No. CB(1)555/10-11(01).)

11. SDEV thanked the Union for its support. She assured members that, if the organisational streamlining proposal had the Panel's support, the Administration would proceed to conduct a wider consultation with the construction industry.

12. As regards the feasibility of combination of various construction-related cards, she advised that it would be studied when drafting the legislative amendments. However, for those cards required under different pieces of legislation, there would be legal and administrative constraints on their merger. She pointed out that the organisational streamlining should not be delayed by the complications that might arise from combination of the cards.

13. The Chairman of CWRA clarified that CWRA issued only one card to construction workers. It not only certified workers' registration with CWRA but also served as a proof of possession of valid attendance certificate of safety training course (commonly known as "Green Card") under the Factories and Industrial Undertaking Ordinance (Cap. 59). The industry recommended that other cards related to construction works, such as those for plumbers, electrical and mechanical work, be combined with the registration card.

14. On the future registration fee, SDEV said that it would be charged on a cost recovery basis. As administrative and operational efficiency would be enhanced, there might be some reduction in the administrative costs.

15. Mr Albert CHAN said he was most concerned about the advantages of the amalgamation to construction workers. He hoped the change would not just benefit the senior management in terms of salary increase. Under the proposed organizational refinement, he suggested that the cards, training courses and tests that construction workers would need should be streamlined and the concerned fees reduced. For example, the driving licence issued by the Transport Department covered a long validity period and various classes of vehicles.

16. Deputy Secretary for Development (Works)² agreed that it was important for the amalgamation to benefit members of the construction industry. The Administration briefed CIC and CWRA on the amalgamation proposal at their respective meetings on 5 November 2010, which were attended by representatives of the construction workers. Their views were well noted. The amendments to be made to the Construction Industry Council Ordinance (Cap. 587) (CICO) and CWRO would not only seek to set up a legal basis for the amalgamation of the two statutory bodies, but also for the merging of certain construction-related cards issued under different pieces of legislation. Currently, CIC was responsible for setting the qualifications standards for trade tests and organizing training courses,

while CWRA set the qualification requirements for registration. CWRA collected data about workers on construction sites, while CIC also needed such data for manpower development planning. When the two organizations were amalgamated, these tasks would be better coordinated for the benefits of construction workers by one single organization.

17. SDEV added that detailed proposals about the work of the future amalgamated organization would be provided to members. She stressed that for CWRA, which was a small organization with an annual operating cost of a few million dollars only, the amalgamation with CIC would bring better organizational development to its staff. It was for the benefits of the construction industry, in terms of enhancement of professional standards and development opportunities, that the Administration intended to introduce legislative amendments to CICO and CWRO to effect the organizational streamlining.

Staffing arrangements

18. Ir Dr Raymond HO said that while he supported organizational streamlining to improve operational efficiency and service performance, he found it strange that the Administration had never informed members about the plan to amalgamate CIC with CWRA, even during the period when the Legislative Council was deliberating the proposal to amalgamate the CIC with the Construction Industry Training Authority (CITA) two years ago. He opined that the communication between the Administration and the legislature should be improved. He said that when CIC was amalgamated with CITA in 2008, there were problems with the employment arrangements for the staff of CITA. He asked whether those problems had been fully resolved and whether staff arrangements for CWRA would be better handled.

19. SDEV replied that when CIC was amalgamated with the former CITA, which was a large organization, there were issues related to manpower and remuneration. To resolve these issues, mutual understanding and accommodation between the management and the staff were essential. She did not envisage that there would be similar problems with the amalgamation of CIC and CWRA, taking into account the small establishment of less than 20 staff members of the latter organization and the close collaboration of both. The Administration would handle staffing arrangements for the amalgamation cautiously and ensure that the management would have adequate communication with the staff.

20. The Chairman of CIC supplemented that the staff issues, including employment conditions and salaries, related to the amalgamation of CIC and the former CITA had been fully resolved. On the working relation between CIC and CWRA, he advised that the recruitment of CWRA staff was conducted by CIC and the two organisations had very close collaboration. He stressed that communication and understanding would help achieve a smooth transition. The Chairman of CWRA added that the staff of CWRA, of which the number was less than 20, were employed on a contract basis, and he did not see that there would be major staff arrangement problems with the amalgamation.

21. Ms LI Fung-ying held the view that the staff would have reasonable expectation about continuation of employment under the amalgamation of CIC and CWRA. She asked whether the statutory rights of the staff would be duly protected and whether transitional staffing arrangements would be formulated.

22. SDEV assured members that reasonable staffing arrangements would be made for each organizational re-structuring exercise. While CIC was working on the enhancement of industry standards and developments, there was room for absorbing additional manpower.

Initiatives to promote the image of the construction industry

23. Dr Priscilla LEUNG pointed out that the lack of professional status and job security in the construction industry made it unattractive to the younger generation. She asked whether the concerned organisations would take the opportunity of the amalgamation to improve the professional status, manpower development and image of the construction industry so as to bring in new blood.

24. SDEV replied that in view of the rising demand for construction manpower in the next few years to carry out the 10 major infrastructure projects and the ageing problem of the construction industry, the Administration had started lots of work in encouraging the younger generation to join the industry. The initiatives included the "5-8-1 Training Programme", which recruited young people as trainees with the offer of jobs on completion of training, and the introduction of contractual provisions, where appropriate, requiring public works contractors to engage trainees. More efforts had been put on the recruitment of semi-skilled workers, such as those for railway projects. The image of the construction industry would be enhanced through the design of new uniforms and

television publicities. The Administration could give members a separate briefing on this subject.

25. The Chairman enquired whether efforts had been made in regulating project subcontracting to protect the benefits of construction workers, and whether precast elements could be fabricated on construction sites in Hong Kong, so as to provide a safe working environment to attract young people to join the workforce.

26. Deputy Secretary for Development (Works)2 replied that the Administration in consultation with trade associations had set up a voluntary sub-contractors registration scheme, which was administered by CIC and would be enhanced. The Administration has been controlling the degree of subcontracting in public works contracts. In general, up to two tiers of subcontracting was allowed. Main contractors of public works contracts were also required to provide subcontractor management plans. Since Labour Relation Officers were required to be employed at public works construction sites a few years ago, there had not been major problems with payment of wages to workers. The Administration and CIC had set up a working group to study the issues relating to subcontracting with a view to solving the remaining problems.

27. The Chairman of CIC supplemented that in view of the absence of formal contracts between most main contractors and subcontractors, CIC had promulgated a standard contract for works project subcontracting for the industry to follow. In September 2010, CIC issued the Guidelines on Dispute Resolution which were useful for helping industry members to resolve wage disputes quickly.

28. On the fabrication of precast elements at construction sites, Deputy Secretary for Development (Works)2 advised that while the Administration would not normally dictate the arrangements for such works, building contractors would consider the feasibility, taking into account the availability of space and the cost, to decide on the most effective way to achieve best results.

Other issues

29. Ms LI Fung-ying enquired about the functions and division of work of the future amalgamated organisation. As that would be the single regulatory body for the construction industry with centralised power for licensing, enforcement, registration, testing and training, Ms LI was concerned about the monitoring of its work and complaint channels. She

also opined that under the new organisation, there should be distinct functions for the units and clear division of work.

30. SDEV advised that the future single organisation to take up the existing functions of CIC and CWRA would be CIC, as it had a much wider range of organisational objectives and scale than CWRA. As one-stop services for the construction industry would be offered by the amalgamated organisation, she believed there were merits for one single organisation to perform the existing functions of CIC and CWRA. While the services to be offered were public services, there should be no competition issues involved in the merger of service providers. By having only one construction-related statutory body to keep construction workers' personal data collected through their applications for registrations, training courses and trade tests, etc., better management and protection for such data were anticipated. As regards the formulation of clear division of work and distinct identities of the units under the amalgamated body, the Administration would work on this area and could brief the Panel on the progress in due course.

31. The Chairman enquired whether workers needed to pay for the various trade tests. Deputy Secretary for Development (Works)² advised that there were certain trades with which workers' registration had to be supported by relevant qualifications. In these circumstances, workers would need to take part in trade tests organized by CIC or other authorized organizations to obtain the required qualifications. Candidates had to pay the test fees.

V Progress report on heritage conservation initiatives

(LC Paper No. CB(1)467/10-11(04) -- Administration's paper on progress report on heritage conservation initiatives

LC Paper No. CB(1)467/10-11(05) -- Paper on heritage conservation prepared by the Legislative Council Secretariat (Updated background brief))

32. At the invitation of the Chairman, SDEV briefed members on the latest progress made by the Administration in heritage conservation. Details were as follows:

- (a) renovation works for revitalising the former North Kowloon Magistracy building, a Batch I project of the Revitalising Historic Buildings Through Partnership Scheme (Revitalisation Scheme), into the Savannah College of Art and Design Hong Kong Campus had been completed in August 2010;
- (b) after the completion of the detailed design and pre-tender work, permission would be sought from the Town Planning Board (TPB) for the adaptive re-use of the three Batch II projects of the Revitalisation Scheme, i.e. the Old Tai Po Police Station, the Blue House Cluster and the Stone Houses;
- (c) a revised design for the Central Police Station Compound respecting the heritage value of the site, taking into account public views and concerns and complying with the building height restrictions was announced on 11 October 2010;
- (d) a proposal from the Musketeers Education and Culture Charitable Foundation Limited had been selected for revitalising the Former Police Married Quarters on Hollywood Road;
- (e) three privately-owned historic buildings and one Government-owned building had been declared as monuments on 12 November 2010;
- (f) the recent open days of Haw Par Mansion had attracted some 31 600 visitors. The Administration intended to invite proposals through open tender to put the historic site to commercial use. Stringent conservation requirements would be included in the tender document. The Government would like to diversify the approach to heritage conservation work and hoped to obtain members' support to the proposed commercial tender approach. This would also allow limited government resources to be put into other less commercially viable heritage projects;
- (g) renovation of King Yin Lei would be completed by end 2010. The Government had documented the renovation process by video. Noting the unique preservation history of King Yin Lei, the Government was inclined to revitalise the building, for example, in partnership with non-profit-making organisations rather than by commercial tender. The Panel on Development would be consulted in due course; and

- (h) in order to promote public education on heritage conservation in Hong Kong, a teaching kit for use in Liberal Studies lessons in secondary schools had been produced. Further to that, a roving Heritage Tourism Expo and a symposium on the same subject would be organised in December 2010.

Fong Yuen Study Hall and other historic sites at Ma Wan

33. Mr WONG Kwok-hing expressed concern about the revitalisation of Fong Yuen Study Hall on Ma Wan Island, and opined that in taking this project forward, the Administration should strive to preserve the nearby historic sites on the island such as the old Kowloon Customs in one go.

34. SDEV advised that the historic sites around Fong Yuen Study Hall which fell within the boundary of Ma Wan Old Village would be preserved under Phase II of the Ma Wan Park. In this respect, the Administration would continue to consult the Tsuen Wan District Council.

Point-line-plane approach in heritage conservation

35. Ms Starry LEE urged the Administration to follow the "point-line-plane" approach in heritage conservation. In a way similar to "Conserving Central", she hoped to see more conservation projects being implemented in line with the "point-line-plane" approach with the help of different partners, for instance the Urban Renewal Authority (URA). Since heritage conservation projects should be district-based, she urged the Administration to work with local organisations implementing the conservation projects in a far more efficient way.

36. SDEV cited the heritage conservation initiatives in Central, Wan Chai and Sham Shui Po districts as examples of the "point-line-plane" approach being pursued by the Administration in heritage conservation. She said that it would take time for the full effect of the "point-line-plane" heritage conservation approach to be realised. As part of the effort, the Administration would promote six heritage trails in Hong Kong during the Heritage Tourism Expo in December 2010. As for URA, she opined that the primary concern of URA was redevelopment and rehabilitation of old buildings, rather than heritage conservation. As regards district-based heritage conservation, she said that the Administration had received a lot of proposals from District Councils. On partnership with local organisations on heritage conservation work in Tai O, she said that the Administration encountered difficulty in identifying a suitable local body for this purpose.

King Yin Lei and Haw Par Mansion

37. Miss Tanya CHAN opined that efforts should be made by the Administration to open King Yin Lei to the public as soon as possible. As for the interim period, open days and guided tours should be provided. In view of the favourable response from members of the public, she believed that the Administration should organise more open days for public to visit Haw Par Mansion. As regards Haw Par Mansion, Commissioner for Heritage supplemented that the Administration would review the conditions of the building before deciding whether to schedule further open days.

38. Mr Albert CHAN was concerned about the Administration's plan to revitalise Haw Par Mansion through commercial means. He cited the adverse examples of the Old Stanley Police Station and River Trade Terminal, and stressed that it would be very difficult for the Administration to exercise effective control, once a historic site was passed to a private developer for revitalisation through commercial means.

39. SDEV opined that it might not be in the interest of Hong Kong people for all heritage conservation projects to be funded by the Government. The proposed revitalisation of Haw Par Mansion by means of commercial tender would be an attempt of the Administration to diversify revitalisation arrangements for historic buildings. She assured members that stringent conservation guidelines would be drawn up for compliance by the selected operator, who would run the revitalised facility under a tenancy. The operator would also be required to provide public access to the historic building.

Historic buildings in the private domain

40. Quoting the Maryknoll Convent School for illustration, Miss Tanya CHAN opined that the Administration should educate land owners of historic buildings in private domain on their legal rights and obligations in maintaining these buildings. In the meantime, to protect trees and greeneries, a tree survey should be launched by the Administration to prevent unnecessary tree felling.

41. SDEV agreed with Miss CHAN that it was important to educate land owners in the private domain on heritage conservation. The Administration had learned from the Maryknoll Convent School case that clear guidelines should be drawn up for monument owners to follow, for instance the procedures for carrying out repair and maintenance works and tree removal. In pursuing heritage conservation in the private domain, the Administration

had to respect private ownership. Active communication with the owners to gain their support to the conservation cause would be vital. On the guiding principle that the use of public funds should be kept to the minimum, the Administration would endeavour to preserve historic buildings in the private domain through public education and persistent appeals to owners. Nevertheless, under exceptional circumstances such as King Yin Lei, it might still be necessary for the Administration to seek to protect a historic building by declaring it to be a proposed monument under the Antiquities and Monuments Ordinance (Cap. 53).

42. For heritage conservation in the private domain, SDEV explained that in most circumstances, the initiative would come from the owners. As for the Dragon Garden in Tsing Lung Tau, Tsuen Wan, she explained that the Administration had found the original proposal of the owner unacceptable and that the Administration had done all it could by proposing different options to the owner.

Suspected conversion of Grade II and Grade III buildings in Sun Wai, Yuen Long into private columbaria

43. Mr WONG Kwok-hing drew the Administration's attention to Sun Wai Village, Yuen Long, where a number of Grade II and Grade III buildings of historic value were allegedly being turned illegally into private columbaria. He enquired about the Administration's statutory powers in protecting and revitalising historic sites categorised by the Government as Grade I, II or III buildings.

44. On the suspected conversion of graded monuments into private columbaria, SDEV responded that the Administration would take appropriate actions against the breach of land use by land owners in this regard. As for the conservation of buildings in the private domain, for Grade I buildings such as King Yin Lei, SDEV in her official capacity could exercise the statutory powers vested in her to declare these buildings to be proposed monuments to offer protection against an immediate threat of demolition. As for buildings of other grades in the private domain, the Administration could only raise the matter with individual owners to seek their support to "wholly" or "partially" conserve the historic buildings.

Liberal studies teaching kit

45. Ir Dr Raymond HO expressed concern about the inconsistency in the terms/phrases used in the English and Chinese versions of the Liberal Studies teaching kit prepared by the Administration. He urged the Administration to make necessary amendments to the teaching kit. SDEV took note of Ir Dr HO's concerns.

(*Post-meeting note:* The Administration has rectified the inconsistencies and sent replacement sheets to schools.)

Revitalisation of the Former Marine Police Headquarters site

46. Referring to a news report on the 1881 Heritage which appeared on the South China Morning Post on 23 November 2010, Miss Tanya CHAN and Mr Albert CHAN expressed grave concern about the allegation that the Administration was offering additional GFA to the developer free of charge in this revitalisation project at the Former Marine Headquarters site. Miss Tanya CHAN also learned from the news that the premium subsequently paid by the developer for 200 m² of additional GFA fell short of market rate.

47. SDEV advised that the Administration had already published a press release on the same day, in response to the news report. She explained that the revitalisation project at the Former Marine Police Headquarters site was done through a public land tender exercise. As there were no building plans for the historic buildings on the site, in the absence of accurate measurement, the Administration had adopted the estimated GFA of about 4 300 m² quoted in a former planning consultancy on the site. Taking account of this limitation, the Planning Brief for the site and the conditions for sale estimated the GFA of the historical buildings to be about 4 300 m² and the potential additional GFA to be created from new building's permitted on site to be 7 900 m², subject to site survey.

48. After the tender was awarded, detailed building alteration plans submitted by the developer in respect of the preserved historic buildings to the Building Authority indicated a higher figure which was subsequently verified with the support of relevant departments to about 5 610 m². This area rectification was later accepted by the Town Planning Board (TPB). Given that this was a technical amendment, there was no question of the developer being given a GFA increase in substance. Besides, no additional premium could be levied on such a technical rectification. As regards the increase of 200 m² of the additional GFA, i.e. from 7 213 m² to 7 413 m², SDEV advised the Lands Department had processed the variations of the Master Layout Plan approved by TPB, in accordance with the established policy, and a premium of \$94.53 million was collected to reflect the enhancement in value arising from the variations. She admitted that the Administration had learned from this project how the available space in preserved historic buildings should be handled in future revitalisation projects.

49. Mrs Sophie LEUNG thanked SDEV for the clarification and urged the Administration to bear in mind the lesson learned in the revitalisation project at Former Marine Police Headquarters site. While she had no strong views against implementing heritage conservation projects through open tender, accurate measurement of the concerned areas of the historic sites would be of great importance in avoiding unnecessary misunderstanding in future.

Site visit to heritage conservation sites

50. Mr WONG Kwok-hing proposed and members agreed that a visit to the heritage conservation sites including King Yin Lei, Haw Par Mansion, the Former Marine Police Headquarters and the Former North Kowloon Magistracy, etc should be arranged. SDEV said that a site visit to a revitalised historic site had been arranged tentatively for 13 December 2010.

Other views

51. Mr Frederick FUNG declared that he was a chairman of an organisation which had bid towards the historic sites under the two batches of the Revitalisation Scheme. He said that he was disappointed with the Administration's decision to remove the Old House at Wong Uk Village, Sha Tin from the Revitalisation Scheme, notwithstanding that his organisation had entered into second round of the selection process, and spent a lot of time of efforts preparing additional information as requested by the selection committee. SDEV responded that although she was not involved in the selection process, her understanding was that after detailed study, the Advisory Committee on Revitalisation of Historic Buildings came to the conclusion that none of the revitalisation proposals was able to deliver the expected results.

52. Ir Dr Raymond HO was of the view that although Hong Kong was lagging far behind other cities such as Shanghai, Singapore and Macao in heritage conservation, the Administration should be highly selective in conserving historic buildings, and refrain from conservation for the sake of conservation. By way of illustration, he said that he had considerable reservations about the Administration's plan to retain and revitalise the Central Market.

VI Enhanced control of fresh water cooling towers

(LC Paper No. CB(1)467/10-11(06) -- Administration's paper on enhanced control of fresh water cooling towers

LC Paper No. CB(1)467/10-11(07) -- Paper on enhanced control of fresh water cooling towers prepared by the Legislative Council Secretariat (Background brief)

53. SDEV advised that, as stated in the Policy Agenda of the 2010-11 Policy Address, the Administration would enhance in phases the control of the use of fresh water cooling towers (FWCT), which were environmental-friendly cooling systems but might cause health concerns if not properly maintained. Although there was no specific piece of legislation providing for the control of FWCT in a holistic manner, enhancement of control measures for effective management and maintenance of FWCT would be achieved through delegation of relevant statutory powers to specified public officers.

54. Director of Electrical and Mechanical Services (DEMS) briefed the Panel on a package of measures to enhance the control of the use of FWCT by highlighting the control measures in respect of the operation, maintenance, design, installation and supporting structures of FWCT.

Coordination of control measures

55. Mr WONG Kwok-hing welcomed the Administration's enhancement of control measures for FWCT. However, he had doubts on whether the so-called "enhancement" was an exaggeration as the control measures would be taken by different departments, including the Electrical and Mechanical Services Department (EMSD), the Water Supplies Department (WSD) and the Buildings Department (BD). He was concerned that there would be a lack of coordination among various departments, resulting in no control at all. He also enquired whether EMSD would provide one-stop services to applicants for the use of FWCT.

56. DEMS replied that EMSD was taking the lead to coordinate the efforts of various departments in controlling the use of FWCT. In particular, EMSD received applications for use of fresh water in cooling towers, conducted periodic water sampling inspection and referred cases to

concerned departments for follow-up actions where necessary. As far as the processing of applications for use of fresh water in cooling towers was concerned, EMSD coordinated the approval from relevant departments and acted as the contact point for applicants. To obtain WSD's approval for use of fresh water in a cooling tower, an application must have EMSD's approval of the design and installation of the cooling tower and BD's approval of the design and construction of the supporting structure.

57. DEMS pointed out that it was necessary to make delegation of power arrangement to enable EMSD to control the use of FWCT. When it was considered that a fresh water cooling tower was in such a state as to be a nuisance or injurious or dangerous to health, public officers with delegated power under the Public Health and Municipal Services Ordinance (Cap. 132) (PHMSO) might enter the concerned premises to take water samples for testing and other follow-up actions¹. Currently the designated authority for taking enforcement action under PHMSO was vested with the Director of Food and Environmental Hygiene (DFEH). In this connection, DFEH was prepared to delegate his power and functions under the respective sections of the PHMSO to DEMS². With due delegation of power, EMSD would be able to exercise effective control of FWCT in respect of their water quality.

58. Mr WONG Kwok-hing further enquired what action the Administration would take on abandoned FWCT and non-compliance with the codes of practice relevant to the operation of FWCT.

59. In reply, DEMS said that for any abandoned cooling tower that caused nuisances, the Administration would endeavour to identify the owner and require that he/she to abate the nuisances, failing which the owner would be prosecuted. For those FWCT in operation yet not complying with the relevant codes of practice, EMSD would request that the owners make an application to join the "Scheme for Wider Use of Fresh Water in Evaporative Cooling Towers for Energy Efficient Air-conditioning System" (the FWCT Scheme). Under the Scheme, EMSD, in collaboration with WSD, would assess the design and installation of FWCT before granting approval to the owners for using fresh water in cooling towers. Owners would be required to comply with the Code of Practice for Prevention of Legionnaires' Disease and the Code of Practice for Water-cooled Air-conditioning Systems in the operation and maintenance of FWCT. Should the cooling tower be in such a state to be a nuisance or injurious or dangerous to health, EMSD, with delegated power under

¹ See sections 12,126 and 127 of PHMSO

² See section 142 of PHMSO

PHMSO, would be able to enter the concerned premises to take water samples, carry out tests and, by issuing a nuisance notice, require the owner to rectify the unsatisfactory conditions of FWCT within a reasonable period of time. If the owner failed to take the required action, he/she would be prosecuted.

60. As the control of FWCT fell under the purview of various policy bureaux and departments, Ms Cyd HO expressed concern about the absence of a dedicated channel for the public to lodge complaints about nuisances caused by FWCT.

61. DEMS advised that the public might lodge such complaints with either BD or EMSD, which would coordinate their actions. On the control of FWCT, EMSD, BD and the Food and Environmental Hygiene Department had been making coordinated efforts.

Enactment of specific legislation to control the use of FWCT

62. Mr WONG Kwok-hing and Ms Cyd HO asked whether the Administration would consider enacting a specific legislation targeting at the use of FWCT so that the control of FWCT would not rely on different pieces of legislation and the enforcement actions by different departments. Ms HO enquired about the time-table for introducing such legislation. Mr WONG opined that a licensing regime could be considered.

63. SDEV agreed that to control FWCT by applying different pieces of legislation was not the best approach. Yet she was of the view that, for the time being, the enhancement measures should be able to bring the issues related to FWCT under effective control. Quoting the discussion paper on this subject, she said that while enactment of a specific piece of legislation for controlling cooling towers was planned to be pursued, EMSD would continue to take the lead to enhance the control of the use of FWCT in the territory. The Administration had adopted a two-pronged approach to the control of the use of FWCT by enhancing the control measures under existing laws and considering the enactment of new legislation. Citing the experience in drafting the Lifts and Escalators Bill, which had yet to be introduced to the Legislative Council, as an example, she added that the complexity for drafting a new legislation should not be under-estimated. It was therefore difficult for her to provide a legislative timetable for the control of FWCT at this stage. She anticipated that the enforcement of the enhanced control measures for FWCT would bring useful experience for the preparation of legislative work on the subject.

Other issues

64. Ms Cyd HO asked about the purpose of the briefing on the subject, as she understood that there were no funding requests, no legislative plans and no strong public voices on the issues related to the subject. She was also concerned about the limited coverage of the survey of 1 000 FWCT currently conducted by the Administration, taking into account the estimated total number of FWCT in the territory, which was 10 000.

65. SDEV explained that enhanced control of FWCT was an initiative under the Policy Agenda of the 2010-11 Policy Address, as part of the Administration's efforts to improve the built environment. The Administration was prepared to brief members on the measures under this initiative. In addition, in its Report No. 53 published in October 2009, the Audit Commission recommended the Administration to conduct a review and take measures to ensure that cooling towers under the FWCT Scheme were properly maintained and to keep in view the need for introducing alternative strategies and additional measures for controlling unauthorised cooling towers. The Development Bureau, being the supervisory bureau of EMSD and WSD, which were two of the concerned departments, had conducted a review and improved the control measures. Lastly, there were building and engineering professionals who had the misunderstanding that the use of FWCT was not allowed by the Administration. The Administration would like to take the opportunity to clarify that it supported the wider use of FWCT, which enhanced energy efficiency of buildings.

66. On the survey of 1 000 FWCT currently conducted by EMSD, DEMS clarified that was one of the two surveys being carried out. The inspection of 1 000 FWCT aimed to collect water samples for testing and necessary follow-up action. The other survey, which was targeted at all the FWCT, about 10 000 in number, in the territory, was done for collecting basic technical information and general conditions of all FWCT, and would be completed by end 2010. With the data collected from this territory-wide survey, where necessary, the Administration would further review the strategies for regulating the use of FWCT.

67. The Chairman enquired whether the records of WSD, which could show which FWCT had stopped consumption of water, would help the Administration locate abandoned FWCT. DEMS replied that there was sharing of information among departments for effective performance of duties and the work of the departments concerned was well coordinated.

VII Any other business

68. There being no other business, the meeting ended at 4:42 pm.

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