

立法會
Legislative Council

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the Chairman)

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Finance Committee of the Legislative Council

**Minutes of the 10th meeting
held at the Legislative Council Chamber
on Friday, 28 April 2000, at 2:30 pm**

Members present:

Hon Ronald ARCULLI, JP (Chairman)
Hon CHAN Kam-lam (Deputy Chairman)
Hon Kenneth TING Woo-shou, JP
Hon James TIEN Pei-chun, JP
Hon HO Sai-chu, SBS, JP
Hon Cyd HO Sau-lan
Hon Edward HO Sing-tin, SBS, JP
Hon Albert HO Chun-yan
Hon Michael HO Mun-ka
Ir Dr Hon Raymond HO Chung-tai, JP
Hon LEE Wing-tat
Hon LEE Cheuk-yan
Hon Martin LEE Chu-ming, SC, JP
Hon Eric LI Ka-cheung, JP
Hon LEE Kai-ming, SBS, JP
Hon Fred LI Wah-ming, JP
Dr Hon LUI Ming-wah, JP
Hon NG Leung-sing
Prof Hon NG Ching-fai
Hon Mrs Selina CHOW LIANG Shuk-ye, JP
Hon MA Fung-kwok
Hon James TO Kun-sun
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching
Hon Bernard CHAN
Hon CHAN Wing-chan
Dr Hon LEONG Che-hung, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, JP

Hon Gary CHENG Kai-nam, JP
Hon SIN Chung-kai
Hon WONG Yung-kan
Hon Jasper TSANG Yok-sing, JP
Dr Hon YEUNG Sum
Hon LAU Kong-wah
Hon Mrs Miriam LAU Kin-yee, JP
Hon Ambrose LAU Hon-chuen, JP
Hon CHOY So-yuk
Hon Andrew CHENG Kar-foo
Hon SZETO Wah
Hon Timothy FOK Tsun-ting, SBS, JP
Hon TAM Yiu-chung, GBS, JP
Dr Hon TANG Siu-tong, JP

Members absent:

Hon David CHU Yu-lin
Dr Hon David LI Kwok-po, JP
Hon Margaret NG
Hon Christine LOH
Hon CHAN Kwok-keung
Hon CHAN Yuen-han
Hon LEUNG Yiu-chung
Hon Andrew WONG Wang-fat, JP
Dr Hon Philip WONG Yu-hong
Hon Howard YOUNG, JP
Hon YEUNG Yiu-chung
Hon LAU Chin-shek, JP
Hon LAU Wong-fat, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon LAW Chi-kwong, JP
Hon FUNG Chi-kin

Public officers attending:

Miss Denise YUE, JP
Mrs Carrie LAM, JP
Mr K K LAM

Mr Raymond H C WONG, JP
Mr TSANG Yam-pui
Mr KWOK Ka-keung, JP

Secretary for the Treasury
Deputy Secretary for the Treasury
Principal Executive Officer (General),
Finance Bureau
Deputy Secretary for Security
Deputy Commissioner of Police
Director of Finance, Administration
and Planning, Hong Kong Police Force

Ms Barbara WILLISON	Chief Superintendent of Police (Planning and Development), Hong Kong Police Force
Mr S H PAU, JP	Director of Architectural Services
Mr Albert LAI, JP	Government Property Administrator
Mrs Margaret CHAN	Principal Assistant Secretary for Education and Manpower
Mr K A SALKELD, JP	Deputy Secretary for the Environment and Food
Mr W S CHAN, JP	Deputy Secretary for Works
Mr John COLLIER, JP	Director of Drainage Services
Mr C H LAM	Assistant Director of Drainage Services
Mr Steve BARCLAY	Principal Assistant Secretary for the Environment and Food
Mr Roger LAI, JP	Deputy Director of Electrical and Mechanical Services (Regulatory Services)
Mr P W LAM	Chief Engineer (Energy Efficiency) of Electrical and Mechanical Services Department
Mr Johnny CHAN	Principal Assistant Secretary for Planning and Lands
Mr C K AU	Assistant Director of Buildings
Mr S W HUI	Chief Officer/Management, Buildings Department
Mr K H FOK	Chief Systems Manager of Information Technology Services Department
Mrs Carrie YAU, JP	Director of Administration
Mr Jacky LUM	Assistant Director of Administration
Mr Colin SANKEY, JP	Head, Efficiency Unit
Mrs Grace PUN	Deputy Head, Efficiency Unit
Mr YUK Wai-fung	Assistant Director, Efficiency Unit

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
Mrs Eleanor LAM	Senior Assistant Secretary (1)2

Item No. 1 - FCR(2000-01)1**RECOMMENDATIONS OF THE PUBLIC WORKS SUBCOMMITTEE
MADE ON 29 MARCH 2000 AND 12 APRIL 2000**

At members' request to vote on PWSC(1999-2000)88 separately, the Chairman put FCR(2000-01)1, except PWSC(1999-2000)88, to the vote. The Committee approved the proposal.

**PWSC(1999-2000)88 234LP Redevelopment of Police Headquarters,
Arsenal Street, Wanchai (Arsenal Yard
Phase 3 development) - stage 2**

2. On the Administration's plan to reserve 4 415 square metres (i.e. 8%) of the total net operating floor area of the new Police Headquarters (PHQ) complex for future expansion, Mr CHEUNG Man-kwong sought the Administration's response to some members' concern raised at the Public Works Subcommittee (PWSC) meeting about the need to fully utilize the 8% reserved space to satisfy current accommodation requirements.

3. The Deputy Secretary for Security confirmed that in order to enhance utilization of the new PHQ complex, the accommodation requirements of the Police Force would be reviewed 12 months before the completion of the building. If the space could not be fully utilized by PHQ units, consideration would be given to accommodating some other Police units/formations in the new complex pending availability of other suitable premises for them. Initially, the Police Force had identified as possible candidates the Hong Kong Island Regional Headquarters, the Hong Kong Island Regional Traffic Headquarters and Accident Investigation Unit currently located at the Central Police Station at Hollywood Road, as well as the Hong Kong Island Regional Crime Unit at Upper Level Police Station. The total area required by these units would be some 4 890 square metres.

4. The item was put to vote and approved by the Committee.

Item No. 2 - FCR(2000-01)6**CAPITAL WORKS RESERVE FUND
HEAD 704 - DRAINAGE****Environmental Protection - Sewerage and sewage treatment
199DS - North and South Kowloon sewerage, stage I, phase II**

5. Mr LEE Wing-tat recapitulated the concern which members of PWSC had expressed over the arbitration award on General Site Clearance under

which the Government had to effect payment to the contractor. Mr LEE pointed out that although the Government had checked the documents prepared by the consultants, the failure to spell out the intention clearly in the contract had not been identified in the process. He was thus concerned about the Government's supervisory role, in particular its responsibility in checking the documents prepared by the consultants, and enquired whether any staff in the Drainage Services Department (DSD) should be held responsible for the oversight.

6. In response, the Deputy Secretary for Works (DS(W)) explained that in order to implement the large amount of new sewerage works without substantially increasing in-house resources, consulting engineers were engaged to carry out the design, contract documents preparation and construction stage supervision of most of these works. The consultants were thus responsible for the detailed checking on the accuracy of the contract documents. Nevertheless, staff of DSD would also carry out a general checking to ensure, inter alia, that all the required works were adequately covered and were specified to be completed within the required programme. As the estimated value of the contract in question exceeded \$100 million, the contract document had also been cleared with the Department of Justice. DS(W) further pointed out that the item under dispute was one of some 800 re-measurement items stipulated in the contract and could not be easily detected unless by a comprehensive checking which was the responsibility of the consultants concerned. He confirmed that in the present case, staff in DSD had followed the established procedures and requirements in checking the consultants' documents and therefore, should not be held responsible for the mistake.

7. On further legal action, DS(W) advised that pursuant to the decision of the arbitrator, the Administration would need to effect payment to the contractor concerned after the quantum of principal plus interest had been assessed and agreed upon. The Administration would also seek indemnity from the consultants responsible for preparing the contract documents.

8. In view that one faulty item in the contract documents might incur heavy costs to the Government, Mr LEE Wing-tat was concerned about the extent to which individual re-measurement items were checked and the measures to prevent recurrence of similar problems.

9. In response, DS(W) stressed that in the light of the present case, the Administration had instructed parties responsible for the preparation of the technical aspects of contract documents, be they consultants or in-house staff, to be particularly vigilant in this regard. Sensitivity analysis was also carried out to identify the likely impact on the tenders should there be substantial changes to those quantities of items with unreasonable prices. Where necessary, recommendation would be made to re-tender the contract so as to avoid future dispute on re-measurement.

10. As the Government would ultimately seek indemnity from the consultants, Mr Albert HO cautioned that the consultants might dispute the ruling of the arbitration and hence, the Administration's decision not to apply for an appeal might jeopardise the Government's claim for indemnity. He further enquired whether the Administration would seek the view of the consultants on whether or not to proceed with an appeal against the ruling of arbitration. Mr HO's concern was shared by the Chairman.

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11. In response, DS(W) informed members that for the Court of First Instance to grant leave for appeal against the arbitration award, the Administration must prove the prevalence of the case in question, or that the arbitrator had erred in law or that no other arbitrator would have made a similar ruling under normal circumstances. According to the legal advice given to the Administration, there were insufficient grounds in the present case to succeed in applying for court's leave for appeal. Nevertheless, DS(W) took note of the views of Mr Albert HO and the Chairman and would seek further legal advice in this regard.

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12. Mr Edward HO said that the present proposal had been discussed at the Planning, Lands and Works Panel. Whilst he acknowledged the need for urgent funding to enable the Government to meet its legal and financial obligations he drew the Administration's attention to the existing arrangement whereby the consultant for a civil engineering works project was also responsible for work relating to quantitative surveying. This was different from the case of building works projects in which an independent quantity surveyor was engaged for the work. In the light of the present case, Mr HO urged the Administration to seriously consider repeated calls from the Hong Kong Institute of Surveyors for independent quantitative surveying in civil engineering works projects so as to ensure objective assessment. In response, DS(W) assured members that the existing arrangement relating to quantitative surveying in building and civil works projects was an issue which had recently been reviewed on more than one occasion, and he noted Mr HO's views for re-consideration.

13. In this regard, Dr Raymond HO pointed out that civil engineering consultants would very much like to engage the service of quantitative surveyors but it was found that the latter were more conversant with surveying work in building projects than in civil engineering works projects. Dr HO said that it was the established practice for the civil engineering profession to train up their own specialized surveying personnel and this arrangement should not be regarded as amounting to a lack of objective assessment. Noting Dr HO's comment about the capability of quantitative surveyors in undertaking surveying work in civil engineering works, Mr Edward HO said that he would convey the relevant record of deliberations to the Hong Kong Institute of Surveyors for reference.

14. On the merits or otherwise of submitting a case to arbitration, Dr Raymond HO commented that determination by a sole arbitrator might not be the best way to resolve disputes as it was quite difficult to appeal against the decision of the arbitrator which was final and binding on both parties. He requested the Administration to consider the option of submitting a dispute to court determination where formal appeal procedures were in place.

15. In response, DS(W) confirmed that the contract for the present project had provided for the resolution of contractual disputes between the Government and the contractor by means of mediation or arbitration. As to the merits or otherwise of arbitration, DS(W) advised that generally speaking, arbitration would save time and costs, and many arbitrators had dual legal and technical qualifications and could better understand the subject matter under arbitration. He nevertheless assured members that active review was under way as a working group had been set up to examine the effectiveness of various ways of resolving contractual disputes.

16. Mr LEE Wing-tat was not satisfied with the Administration's explanation and considered that in the light of past experience, the Administration would not stand a good chance of obtaining indemnity from the consultants concerned and ultimately, taxpayers would have to bear the additional cost in the order of \$100 million. He urged the Administration to complete its various reviews as soon as possible and report the outcomes to the relevant Panel(s), as well as to consider Mr Albert HO's comments earlier on about applying for an appeal before taking action to recover the damages from the consultants. Whilst noting the need for urgent funding, Mr LEE said that Members of the Democratic Party would abstain from voting.

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17. The Chairman put the proposal to the vote. The Committee approved the proposal.

Item No. 3 - FCR(2000-01)2

HEAD 42 – ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT

◆ Subhead 700 General other non-recurrent

New Item “Territory-wide Implementation Study for Water-cooled Air Conditioning Systems in Hong Kong”

18. Mr Fred LI expressed support for the prompt implementation of the Water-Cooled Air Conditioning Systems (WACS) which would promote more efficient use of energy. He pointed out that there were over 12 000 illegal fresh water cooling towers erected outside the external walls of the industrial buildings, some of which posed health hazards such as Legionnaires' Disease.

He sought the Administration's assurance on whether the proposed study would also examine the 12 000 water cooling towers.

19. The Deputy Director of Electrical and Mechanical Services (Regulatory Services) (DDEMS(RS)) said that the study would consider the subject in its entirety and would therefore include the 12 000 illegal water cooling towers. In the light of the recommendation of the Public Accounts Committee, the Works Bureau, the Electrical and Mechanical Services Department (EMSD) and other departments concerned had considered ways to deal with the 12 000 illegal water cooling towers. The Buildings Department (BD) had carried out inspections on those buildings with structures illegally erected outside external walls to support the water towers which might affect the structural safety of the buildings. A Prevention of Legionnaires' Disease Committee comprising representatives from the EMSD and the Department of Health had already been set up to monitor the Disease and the health impact of the existing cooling towers. He said that in the past decade, there had only been a couple of reported cases of Legionnaires' Disease. DDEMS(RS) pointed out that the proposed study would recommend the way forward to implement phased implementation of WACS in Hong Kong.

20. In reply to Mr Fred LI's enquiry on how the 12 000 illegal water towers would be regulated, DDEMS(RS) confirmed that while the 12 000 illegal water towers would be regulated in due course, at present, EMSD could not enter the premises concerned to inspect these water towers in the absence of any statutory power. Nevertheless, a database of the location of these 12 000 water towers had been compiled on the basis of on-street observations. The consultancy study would also make recommendation as to whether amendments to existing legislation were necessary to empower Government departments to inspect these water towers.

21. As regards the water towers installed on the rooftop of buildings which might not have been included in the database, the Chief Engineer (Energy Efficiency), Electrical and Mechanical Services Department (CE(EE), EMSD) explained that a working group had been formed to consider how to regulate the illegal water cooling towers. As the majority of these water towers were poorly maintained, including the illegal structure supporting the cooling towers, EMSD had shared the database of these 12 000 cooling towers with BD for their follow up actions to identify illegal structures for subsequent removal.

22. CE(EE), EMSD further advised that in the proposed study, five areas would be selected for a pilot scheme on the use of fresh water for the air conditioning system. Operators of the existing water cooling towers using fresh water could apply under this pilot scheme subject to meeting the necessary safety requirements of BD, DSD and the Water Supplies Department. The pilot scheme, which would run parallel to the consultancy study, would

provide useful information on the effectiveness of measures to regulate the existing cooling towers.

23. Mr Edward HO was in support of the proposal to implement WACS in Hong Kong. Noting the scarcity of fresh water and the abundant supply of sea water in Hong Kong, he considered that there should be wider use of sea water. He said that as water front reclamation development projects were in the pipeline, the use of sea-water cooling system in the new developments should be examined in the consultancy study so that construction of the necessary infrastructure, such as water pump station, etc., could tie in with the new developments projects.

24. Acknowledging Mr Edward HO's concern, DDEMS(RS) confirmed that one of the major objectives of the study was to identify areas where sea water condenser cooling systems could be used in lieu of fresh water systems. He further advised that the study would be completed in 12 months' time and new developments along the sea water front would receive priority attention in the consultancy study.

25. Mr James TIEN noted that of the three types of WACS, centralized piped supply system for condenser cooling (CPSSCC) would be most suitable for buildings near the sea water front. As there were many buildings near the sea water front in Hong Kong, he asked how the Government would demarcate the boundary within which the buildings would be considered for use of CPSSCC. On the CPSSCC, he observed that at present, most buildings in Hong Kong were employing fresh water for their evaporative cooling towers. If the Government was considering the use of sea water instead of fresh water, he was concerned that the existing water pipes might get rusty or even require replacement and this would give rise to significant financial implications.

26. In response, CE(EE), EMSD confirmed that of the three types of WACS, the District Cooling System would be the best system, followed by CPSSCC which was the system for supplying sea water to the air conditioning systems of buildings situated near the sea water front. He acknowledged Mr James TIEN's concern about the possible problem of sea water and pointed out that as far as evaporative cooling towers were concerned, there would not be much difference between using sea water or fresh water from the energy and financial efficiency points of view. As such, the Administration considered that it might be more appropriate to employ fresh water for evaporative cooling towers while sea water would be employed for CPSSCC.

27. On behalf of the Hong Kong Progressive Alliance, Miss CHOY So-yuk expressed support for the proposal. She recalled that when the proposal was discussed at the Environmental Affairs Panel, the Administration had also proposed to commission a consultancy study each for South East Kowloon and Wanchai and Causeway Bay at the cost of some \$13 million and \$6 million

respectively. Miss CHOY asked if the scope of the current proposal which was a territory-wide study would duplicate that of those two consultancy studies. She also questioned the need for seeking separate funding for studies of similar nature and scope, and enquired if it would be more cost effective to merge these separate studies.

28. DDEMS(RS) said that the proposed study would be a territory-wide implementation study, the purpose of which was to formulate plans and to identify the most suitable type of cooling systems for different parts of the territory including new developments and existing urban developments. A separate proposal would be made in due course to seek funds for the South East Kowloon Development (SEKD) Implementation Study. The SEKD study would examine the detailed design, technical requirements, financial implications, and the future management structure for the entire project. It would also identify the system providers which were capable of undertaking similar projects in future. He did not consider it advisable to combine the two studies which might cause delay.

29. Miss CHOY So-yuk said that should the South East Kowloon Development study be an implementation study as distinct from the territory-wide master study, she could not see the need to carry out separate implementation studies for Wanchai and Causeway Bay. In reply, CE(EE), EMSD advised that in addition to formulating a master development plan, it was necessary to examine and evaluate the implementation process under two separate studies because the engineering works for new (i.e. South East Kowloon) and existing urban developments (i.e. Wanchai and Causeway Bay) would be different. Having acquired the necessary knowledge and experience from the two projects, it might not be necessary to carry out similar implementation studies for future projects.

30. The Committee approved the proposal.

Item No. 4 - FCR(2000-01)3

CAPITAL WORKS RESERVE FUND

HEAD 710 - COMPUTERISATION

Buildings Department

◆ New Subhead "Building Condition Information System"

31. Mr LEE Wing-tat expressed support for the proposed Building Condition Information System (BCIS) and asked if the new system would generate report with accurate information on the locations of illegal rooftop structures and the number of cases in which such structures were re-erected after being removed. He also asked if the system would provide prompt information to the estate agents on the conditions of private buildings.

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Referring to the feedback of the Estate Agent Authority to the Housing Panel about BD's failure to provide prompt information on rooftop structures, Mr LEE enquired whether the situation would be improved with the implementation of the BCIS.

32. In response, the Principal Assistant Secretary for Planning and Lands (PAS(P&L)) said that the information kept by BD on illegal rooftop structures was mainly based on the information of the Fire Services Department two years ago and was therefore not most up-to-date. In 1999, the departments concerned had processed 14 000 removal orders and 5 000 restaurant licence applications. PAS(P&L) confirmed that the proposed BCIS would facilitate the issuance of removal orders and the monitoring of progress of rectification. It would also generate accurate reports on the number of illegal rooftop structures, removal orders and cases of repeated non-compliance and provide almost instantaneous response in the dissemination of information which would be of use to the estate agents. The proposed BCIS would also help the relevant department(s) in processing restaurant licences.

33. On the cost and benefit analysis, Miss Cyd HO Sau-lan referred to the notional savings of \$6.9 million per year which were made up of a small fraction of each of 300 posts in various grades and divisions. She queried the reasons for not deleting some or all of these posts and re-deployed the resources for other purposes.

34. In response, PAS(P&L) explained that in discharging its functions to ensure the safety of private buildings, BD would carry out inspections, provide advice to the owners and in the absence of improvement, issue removal orders. Professional, technical as well as clerical grades of staff were involved in the process. The proposed BCIS would reduce some clerical work but would not remove the need for related work performed by other grades. He also advised members that some of the savings would be re-deployed to absorb the increase in workload or to effect service improvements, including the setting up of the Buildings Innovation Unit in early June 2000.

35. The Assistant Director of Buildings (AD of B) and Chief Officer/Management, Buildings Department further advised that as each of the staff was responsible for a range of different duties, it would not be appropriate to delete the posts altogether since the resultant savings were fragmented. In fact, during the feasibility study stage, the Government had tried to identify as much savings as possible but only three posts which carried similar functions and whose duties could be absorbed by other staff of the same grade or rank could be deleted. AD of B stressed that as a result of internal redeployment, no request for additional staff had been put up in connection with BCIS. At the request of Miss Cyd HO, the Administration would provide more detailed information on the 300 posts in question after the meeting.

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36. The Committee approved the proposal.

Item No. 5 - FCR(2000-01)4

HEAD 112 - LEGISLATIVE COUNCIL COMMISSION

♦ Subhead 366 Remuneration and reimbursements for Members of the Legislative Council

37. The Chairman declared that all members had the same pecuniary interest in the matter.

38. The Committee approved the proposal.

Item No. 6 - FCR(2000-01)5

CAPITAL WORKS RESERVE FUND

HEAD 708 - CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT

Government Secretariat : Offices of the Chief Secretary for Administration and the Financial Secretary

♦ New Subhead "Integrated call centre for environmental hazards and cleanliness"

39. Miss Cyd HO sought further information on the expected improvements, notably the response time, to the Government telephone enquiry services after the establishment of the integrated call centre (ICC) to service all telephone enquiries on environmental hazards and cleanliness straddling 16 Government departments.

40. In reply, the Head, Efficiency Unit (H, EU) advised that after full implementation of ICC, an enquirer would only need to press one button to choose the language and would then be connected to an operator to handle his enquiry direct. This process would only require an average response time of 12 seconds. He also confirmed that the 160 full-time Call Centre Agents at the ICC would be able to answer enquiries relating to any of the 16 departments concerned with the support of a knowledge management system which would enable them to check the most up-to-date information on the subject matter under enquiry.

41. On the Chairman's question about the nature and scope of services provided by the proposed ICC, H, EU explained that the Administration had decided to start operating the ICC in the area of environmental hazards and cleanliness because of widespread public concern on these issues and the

complaints/enquiries relating to them were more easily identifiable. Upon successful implementation of ICC, the Administration would consider developing further ICCs in other areas of Government activities. H, EU also confirmed that there was considerable overseas experience to draw on in operating similar call centres and the ICC presently proposed was based on the Brisbane model.

42. Referring to the Administration's estimate of providing for pay back of the non-recurrent cost of the project in about 21 years, Mr CHAN Kam-lam questioned the basis of this estimate bearing in mind that the ICC might not have a serviceable lifespan of two decades. He was also concerned about whether it would be cost-effective to extend the integrated system to other Government services.

43. In response, H, EU advised that much of the capital cost up-front was required for the business process re-engineering. The hardware for the project in the region of some \$6 million was not a substantial portion of the total non-recurrent expenditure. On the serviceable lifespan, H, EU advised that the software and engineering works for the project would remain but would be improved and fine-tuned from time to time.

44. As regards the cost and benefit, H, EU stressed that while the Administration had tried to quantify the savings, consideration should also be given to the substantial efficiency gains anticipated from the streamlined back office and site functions of the 16 departments, as well as the intangible benefits associated with the project. He also confirmed that it would be cost-effective to extend ICCs to other Government services as individual departments would not have to develop their own independent telephone enquiry service systems. Referring to the call centre in the Labour Department and in the Water Supplies Department, H, EU said that the total cost requirement of the two centres was as high as some \$19 million.

45. As to how the cost-effectiveness of the proposed ICC could be measured, H, EU advised that initially, efficiency could be achieved in terms of service improvements such as the speed in responding to calls and the accuracy of replies. In due course, through the business process re-engineering which was a substantial part of the project in question, there would be opportunities to refine government processes, avoid duplications among the Government departments concerned and simplify work procedures.

46. Noting that at present, there were over 900 "hotlines" and "enquiry numbers" run by different Government departments, 90% of which were attended by staff, Mr CHAN Kam-lam enquired whether problems such as unanswered calls or busy lines would be encountered under the ICC.

47. In this connection, members noted that the ICC would only deal with environmental hazards and cleanliness issues currently under the portfolio of the 16 departments and that the said "hotlines" and "enquiry numbers" would remain after implementation of the ICC. However, H, EU advised that it was the Administration's plan to gradually phase out the said numbers by the provision of a "single-telephone-number" service. In some cases, the proposed ICC would take over the full responsibility of a department if the anticipated number of calls handled by ICC amounted to over 70% of the total calls of the department. In reply to the Chairman, H, EU confirmed that if the number of telephone calls greatly exceeded the anticipated number, consideration would be given to providing additional call centre agents to handle the enquiries. The Administration would also review the overall staffing situation of the ICC in the light of operational experience.

48. Mr LEE Cheuk-yan said that he had no objection to the ICC but sought the Administration's assurance that a higher proportion of civil servants would be deployed to the ICC as far as possible. In response, H, EU advised that a certain mix of non-civil service contract staff was necessary for meeting operational needs such as working part-time to deal with occasional peak caseloads but the Administration would deploy more civil servants to the ICC as far as possible. The Chairman also remarked that there might be an upsurge in telephone enquiries arising from some ad-hoc issues which required more handling staff on a temporary basis.

49. On the future percentage of civil service staff at the ICC, H, EU advised that according to present plans, about 100 of the call centre agents at the ICC would be civil servants and 70 would be contract non-civil servants by Year 7 of implementation. As only about 60% of the future call centre staff would be employed on civil service terms, Mr LEE Cheuk-yan remained unconvinced and considered the proposed mix unacceptable. He queried the justification for not raising the proportion of civil servants.

50. In response, H, EU explained that initially, the Administration planned to engage the service of outside persons with call centre experience to facilitate the civil service staff in their uptake of the new job. The Administration would be prepared to review the proportion of civil servants and non-civil servants in the light of operational experience of the ICC. H, EU stressed that at this stage, there was no pre-determined ratio of civil service to non-civil service staff for the ICC.

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51. The Committee approved the proposal.

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52. The Committee was adjourned at 4:00 pm.

Legislative Council Secretariat
July 2000