立法會 Legislative Council

LC Paper No. CB(1) 1257/01-02 (These minutes have been seen by the Administration)

Ref: CB1/PL/PLW/1

Legislative Council Panel on Planning, Lands and Works

Minutes of special meeting held on Tuesday, 15 January 2002 at 8:30 am in the Chamber of the Legislative Council Building

Members present : Dr Hon TANG Siu-tong, JP (Chairman)

Hon LAU Ping-cheung (Deputy Chairman) Ir Dr Hon Raymond HO Chung-tai, JP

Hon James TO Kun-sun Hon WONG Yung-kan

Hon TAM Yiu-chung, GBS, JP Hon Abraham SHEK Lai-him, JP Hon Albert CHAN Wai-yip Hon IP Kwok-him, JP

Non-Panel Members:

attending

Hon James TIEN Pei-chun, JP Hon Eric LI Ka-cheung, JP Hon Emily LAU Wai-hing, JP Hon Tommy CHEUNG Yu-yan, JP

Members absent : Hon LAU Wong-fat, GBS, JP

:

Hon Timothy FOK Tsun-ting, SBS, JP

Hon WONG Sing-chi

Public officers attending

Representatives from the Administration

Mr M J BYRNE

Principal Assistant Secretary, Works Bureau

Mr H I KWONG

Chief Assistant Secretary, Works Bureau

Mr H C WONG

Assistant Director, Highways Department

Mr H H LIU

Chief Highway Engineer, Highways Department

Mr Y M CHAN

Chief Engineer, Transport Department

Attendance by invitation

Representatives from other organizations

Mr Allen K K LAW

General Manager, OSP Engineering & Construction Hong Kong Cable Television Limited

Ms S K CHAN

Senior External Affairs Manager Hong Kong Cable Television Limited

Mr Quinn LAW

Director of Hong Kong Tramways Limited

Mr Frankie YICK

Director of Hong Kong Tramways Limited

Mr Steven CHAN

Engineering Manger, Hong Kong Tramways Limited

Mr K T WONG

Engineering Director, Hutchison Global Crossing Limited

Mr K K TSANG

Implementation Manager, Hutchison Global Crossing Limited

Mr Victor WONG Cheuk-lun

Senior Manager, New World Telephone Limited

Mr Tony WONG Kwok-shek

Legal Counsel, New World Telephone Limited

Mr Hans LEUNG

Assistant P R Manager, Corporate Communications, Pacific Century CyberWorks Limited

Mr TANG Shiu-wah

General Manager, Outside Plant Services, Pacific Century CyberWorks Limited Action - 3 -

Mr CHEUNG Kwok-chi

General Manager, Outside Plant Services, Pacific Century CyberWorks Limited

Mr Billy W H WONG

President of The Hong Kong Construction Association

Mr Patrick W T CHAN

Secretary General of The Hong Kong Construction Association

Mr David WESTWOOD

Member of The Hong Kong Construction Association

Mr Kenny LO

Council Member, Hong Kong General Building

Contractors Association

Mr WONG Siu-keung

Council Member, Hong Kong General Building

Contractors Association

Clerk in attendance: Ms Anita SIT

Chief Assistant Secretary (1)6

Staff in attendance : Mrs Queenie YU

Senior Assistant Secretary (1)6

I Proposed charging and penalty system for road opening works

(LC Paper No. CB(1) 369/01-02 -- Information provided by the Clerk

to the Public Accounts Committee

(issued on 22 November 2001)

LC Paper No. CB(1) 509/01-02(02) -- Paper provided by the

Administration (issued on 6

December 2001)

LC Paper No. CB(1) 509/01-02(03) -- Background brief prepared by the

LegCo Secretariat (English version issued on 6 December 2001,

Chinese version issued on

7 December 2001)

LC Paper No. CB(1) 755/01-02(05) -- Paper provided by the

Administration (issued on 9

January 2002))

The Chairman welcomed the Administration and representatives of utility companies and the construction industry to the meeting. He recapitulated that the

Administration had briefed Members on the proposed charging and penalty (C&P) system for road excavation works at the Panel's special meeting on 12 December 2001. The purpose of this special meeting was for Members to receive public views from interested parties on the Administration's proposal. He also drew members' attention to the submissions from the Wharf New T&T Limited and The Hong Kong and China Gas Co. Limited, which were unable to send representatives to attend the meeting.

Presentation of views by organizations

Hong Kong Cable Television Limited (LC Paper No. CB(1) 807/01-02(01))

- 2. Mr Allen K K LAW, General Manager, OSP Engineering & Construction of Hong Kong Cable Television Limited (HK Cable TV) presented the following views of the company -
 - (a) The proposed "three-tier" C&P system, with the Highways Department, other government departments and private utility undertakers subject to different treatment under the system, was unfair and discriminatory in nature;
 - (b) Given that road excavation works undertaken by government departments accounted for a majority portion of road excavation works, it was doubtful whether the proposed C&P system could effectively tackle the problems caused by road excavation works if government departments would not be subject to the same charging and penalty requirements as private utility undertakers;
 - (c) The purported "user-pays principle" under the proposed C&P system involved double payments by private utility undertakers as the latter had already been paying considerable amount of licence fees and other types of charges to the relevant regulatory authorities;
 - (d) The proposed C&P system which would incur additional costs to utility undertakers was contradictory to the Government's policy of improving the business environment, particularly under the present adverse economic climate;
 - (e) The Administration should also consider alternative approaches/ measures to address the problems. For example, it should build common trenches/ducts to house all underground utilities; and
 - (f) The Administration should put in place a one-stop-shop mechanism for the processing of Excavation Permits (EPs) and approvals by other Government departments for the road excavation works concerned.

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Hong Kong Tramways Limited (LC Paper No CB(1) 807/01-02(02))

- 3. <u>Mr Quinn LAW, Director of Hong Kong Tramways Limited (HKT)</u> presented the following views of the company -
 - (a) Under the current arrangement, HKT's obligation in maintaining the tram track for tram service and usage of other public road transport whilst works were in progress had made it difficult for HKT to assess the actual works period due to traffic disruption caused by other road users;
 - (b) HKT was required to conduct a Traffic Impact Assessment (TIA) in applying for an excavation permit (EP) and for an extension of the EP period. The time required for conducting TIA and obtaining EP approval were lengthy as various parties were involved;
 - (c) In view of the uniqueness of the operation obligation of HKT, it should be exempted from the proposed C&P system, particularly for the tram-only-lanes under its control;
 - (d) A centralized authority should coordinate and oversee the processing of EP applications and other required consents/approvals from government departments and/or other utility companies;
 - (e) An appeal system should be put in place to deal with appeals by EP permittees against the charges and penalty imposed on them under the C&P system; and
 - (f) Utility undertakers should be consulted on the proposed legislative amendments for implementing the proposed C&P system.

Hutchison Global Crossing Limited (LC Paper No. CB(1)755/01-02(02))

- 4. <u>Mr K T WONG, Engineering Director of Hutchison Global Crossing Limited</u> (<u>Hutchison</u>) presented the following views of the company -
 - (a) Hutchison considered that the proposed C&P system would produce greater negative impacts by discouraging investment in utility services than positive results in addressing the problems arising from road excavation works. Hutchison urged the Administration to withdraw the proposed C&P system;
 - (b) The proposed C&P system would only shift the burden of economic cost arising from road excavation works to utility undertakers but would not effectively solve the problems of repetitive and delayed road excavation works as the root of the problems was poor planning and coordination on the part of the Government;

- (c) The "user-pays principle" in determining the charges for EPs should not be based on the cost structure of government departments which was generally higher than the fair market level;
- (d) Government departments should be subject to the same charging and penalty requirements since a majority portion of the road excavation works were undertaken by them;
- (e) Normally, utility undertakers were unable to commence works immediately after obtaining an EP from the Highways Department. Utility undertakers still had to obtain the consent or approval from other government departments such as the Transport Department and the Police. The time required for the latter process was currently counted towards the permit period thereby reducing the works period for actual excavation works; and
- (f) A one-stop-shop mechanism to expedite processing of EPs should be put in place by the Government before the implementation of the proposed C&P system;
- (g) The EP conditions should be clearly defined and set out on the basis of objective criteria; and
- (h) The proposed charging system would incur an additional operation cost of \$10 million on Hutchison which would be a heavy burden on the company given the keen competition of the telecommunication industry and the pressing need for cost control under the present economic downturn.

New World Telephone Limited (LC Paper No. CB (1) 786/01-02(01))

- 5. <u>Mr Tony WONG Kwok-shek, Legal Counsel of New World Telephone</u> <u>Limited (New World Telephone)</u> highlighted the following salient points in the company's submission:
 - (a) New World Telephone shared the views presented by representatives of Hong Kong Cable TV and Hutchison;
 - (b) The proposed "three-tier" C&P system was unfair; the Highways Department was not subject to charges and criminal liability, other government departments were subject to charges but not criminal liability, and utility undertakers/contractors were subject to both charges and criminal liability;
 - (c) A fair and transparent mechanism should be put in place for determining the duration of EPs for road excavation works;

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- (d) A forum involving the concerned industries and government departments should be established to review and improve the criteria for the issuance and extension of EPs and those for the determination of economic charges on a regular basis;
- (e) The "user-pays principle" should not be based on the staff and other associated cost of government departments which were generally above the fair market value;
- (f) EP permittees should be exempted from the penalty provision(s) under the C&P system for unforeseen circumstances beyond their control; and
- (g) The concerned industries should be consulted on the methodology for determining the level of economic charges and fines under the proposed C&P system.

Pacific Century CyberWorks Limited (LC Paper No. CB(1)755/01-02 (03))

- 6. Mr CHEUNG Kwok-chi, General Manager, Outside Plant Services of Pacific Century CyberWorks Limited (PCCW) presented the following salient points in the company's submission -
 - (a) The proposed C&P system would incur additional costs on telecommunications service operators and the additional costs would, in whole or in part, be transferred to their customers;
 - (b) EP permittees might encounter substantial difficulties in complying with the approved duration of the EP due to various unpredictable factors;
 - (c) The actual number of working hours which permittees could carry out their works would be subject to the rules and regulations of the relevant government departments for traffic management and noise control etc;
 - (d) A one-stop-shop mechanism should be put in place to expedite the processing of EPs thereby increasing the actual working time for EP permittees within the approved EP duration for the respective works;
 - (e) A detailed cost breakdown in respect of all the charges payable under the proposed system should be provided by the Administration for comments and the charges should be subject to regular review;
 - (f) An efficient appeal mechanism should be put in place lest the appeal process would cause further delays of road excavation works;

- (g) Proper supervision by the Administration was essential to avoid abuse of the EP system. A prosecution team independent of the Highways Department should be established to tighten up control on road excavation works; and
- (h) Diversion works performed at the request of the Government, the Mass Transit Corporation Limited and the Kowloon-Canton Railway Corporation should be exempted from the proposed charging system.

Hong Kong Construction Association (LC Paper No. CB(1) 755/01-02(04))

- 7. With visual-aid equipment, Mr Billy W H WONG, President of the Hong Kong Construction Association (HKCA), and Mr David WESTWOOD, member of HKCA presented the following views of HKCA -
 - (a) HKCA considered that the proposed C&P system could neither achieve the purported objectives nor provide a fair and logical allocation of responsibility for delay in road excavation works;
 - (b) The contractor was placed under the most disadvantaged position under the proposed "four-tier" C&P system. (The Highways Department was the most privileged, followed by other government departments and utility undertakers.) The contractor had to deal with unpredictable conditions due to inaccurate records on underground utilities, stoppage of works by the Police and necessary utility diversion works, all of which were beyond the contractor's control;
 - (c) The following alternative measures should be taken to reduce the delays caused by unpredictable underground conditions -
 - (i) standardized design should be adopted for laying of underground services:
 - (ii) specific rules should be introduced to control the location of each underground service;
 - (iii) promoters of road excavation works should be required to make trial holes/pits before digging trenches on the roads; and
 - (iv) utility undertakers and government departments should be required to co-operate with contractors in identifying their property and in carrying out necessary re-routing of services within a reasonable time-frame when these services caused obstruction to the new works to be undertaken;
 - (d) Common utility trenches should be built for newly developed areas in the long run to house all underground utilities as a fundamental solution to the disruption caused by road excavation works;

- (e) The Highways Department or Territory Development Department, when constructing new roads, should place spare cross-road ducts to facilitate future laying and/or diversion of underground services;
- (f) An effective co-ordination mechanism should be in place to improve collaboration among government departments, utility undertakers and contractors to avoid unnecessary delays and repetition of road excavation works particularly when diversion works were required; and
- (g) At present, it took nine weeks for the contractor concerned in a normal case to obtain necessary consent/approvals from various government departments such as the Police, Transport Department and Highways Department before road excavation works could commence. If road closure was necessary for the works, it would take an additional week to obtain the approvals. If the works were to be carried out on an expressway, three months were required to obtain the approvals. The time required for obtaining these approvals should not count towards the approved EP duration.

Hong Kong General Building Contractors Association (LC Paper No. CB(1) 819/01-02(01))

- 8. <u>Mr WONG Siu-keung, Council Member of Hong Kong General Building Contractors Association (HKGBCA)</u> highlighted the following points in the association's submission -
 - (a) A one-stop-shop mechanism for application and processing of EPs and other necessary consent and approvals was a prerequisite for the implementation of the proposed C&P system to minimize the time and resources required of utility undertakers and contractors in this regard;
 - (b) There should be clear guidelines setting out the circumstances where charges for extension of road excavation works would be exempted;
 - (c) The proposed C&P system was not an effective measure to tackle the problems of repetitive and delays of road excavation works. Instead, the Government should put more efforts on the monitoring and coordination of works to avoid unnecessary repetitions and delays;
 - (e) A major proportion of the additional costs arising from the C&P system would be borne by contractors, who in fact had little control over the duration of works; and
 - (f) Implementation of the proposed C&P system under the present economic climate was contradictory to the undertaking made by the Government to assist the small and medium enterprises.

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Discussion with deputations and the Administration

9. <u>Ir Dr Raymond HO Chung-tai</u> informed the meeting that he himself, <u>Hon LAU Ping-cheung</u> and <u>Hon Abraham SHEK Lai-him</u> were members of the Advisory Group on Road Openings set up under the Works Bureau to advise on the proposed C&P system.

Consultation with utility companies and the construction industry

- Ir Dr Raymond HO appreciated the practical difficulties encountered by 10. utility undertakers and contractors in implementing road excavation works. considered that in view of the far-reaching implications of the proposed C&P system, the Administration should consider the views of the stakeholders thoroughly before introducing the relevant legislative proposals. In this regard, he suggested that the Administration should arrange further consultation meetings with the stakeholders to in detail the proposed C&P system and/or other alternative discuss solutions/arrangements.
- 11. The Principal Assistant Secretary for Works (PAS/W) said that the Administration believed that the stakeholders had been sufficiently consulted. The Administration proposed to submit the legislative proposals to the Legislative Council (LegCo) in April this year without further delay as the problems arising from road excavation works had incurred high economic cost to the community for years. PAS/W further said that the consultation document on the proposed C&P system had been discussed at length in October 2001 with the stakeholders. A few workshops for utility companies and the construction industry had been held during the Regulatory Impact Assessment Studies in 2000, in addition to regular consultations through the Highways Department's working group on road openings.
- 12. Mr Billy W H WONG of HKCA admitted that the Administration had consulted the construction industry but stressed that the industry had not expressed support for the proposal. Mr Patrick W T CHAN of HKCA added that the proposed C&P system was not a well thought-out proposal and the Administration should pay heed to the views of the industry to refine the system. Taking note of the unanimous objection to the proposal expressed by the deputations at the meeting, Ir Dr Raymond HO and Mr Abraham SHEK urged the Administration to further discuss with the stakeholders the proposed C&P system before introducing the relevant legislative proposals.
- 13. In response, <u>PAS/W</u> said that further consultation might not be fruitful as the stakeholders had already made known their views in previous consultation forums and the Administration had already made conscious efforts to address their concerns. He however assured Members that the Administration would duly consider any further suggestions from the stakeholders regarding the proposed C&P system or other measures to minimize the impacts of road excavation works.

Design of the proposed EP system

- 14. Mr James TIEN said that objective criteria in relation to the location, complexity and scale of the respective works should be used in assessing the duration of EP. The EP duration should reflect the actual works period and thus should exclude the time spent on seeking permission and/or waiting for approval from various government departments before the commencement of works. Mr TIEN further said that the Government should not make use of the proposed C&P system to make profits. While he in principle supported the "user-pays principle" for determining the EP fees, he considered that the Administration should exercise strict monitoring of the relevant costs.
- 15. <u>Miss Emily LAU</u> considered that the Administration should suitably address the deputations' concern that the cost structure of government departments, on which the charges for EPs were to be based, was much higher than the fair market level.
- 16. Referring to the suggestion of putting in place a one-stop-shop mechanism for processing EP applications, Mr James TIEN said that the suggestion was widely supported by business operators including exporters and factory operators. He however expressed worry that it would take a long time to materialize the plan as it involved many government departments. PAS/W said that the Administration was reviewing the administrative framework to streamline the EP application process so that utility undertakers could obtain all the necessary consents/approvals from the relevant government departments before the issue of an EP. The review would be completed before the end of 2002 and the Administration would then decide on the way forward, including the need for a one-stop-shop arrangement. Mr Abraham SHEK questioned why the one-stop-shop mechanism could not be established before the implementation of the proposed C&P system.

Applicability of the C&P system to governments departments

- 17. Pointing out that currently, some government departments were not required to obtain EPs for road excavation works, Mr K K TSANG of Hutchison asked whether the same arrangement would continue under the proposed system. PAS/W confirmed that under the proposed system, a EP would be required for all road excavation works including those undertaken by all government departments. Except for the criminal sanction, the proposed C&P system would be applicable to all government departments. Government departments would not be prosecuted for breach of EP conditions. Instead, a reporting procedure similar to that under the Environmental Impact Assessment Ordinance would be established and such reporting would be made to the Secretary for Works.
- 18. Referring to the deputations' concern that about 70% of road excavation works were undertaken by government departments, Mr Abraham SHEK agreed with the deputations that the Administration should focus its efforts on improving road excavation works undertaken by government departments. The Administration should not only hold private utility undertakers and contractors responsible for the problems arising from delays in road excavation works, but should address the Government's inefficiency in administering the road excavation works.

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19. <u>Mr James TIEN</u> said that the Liberal Party (LP) was very concerned about the adverse impact arising from the delays of road excavation works on the overall economy of Hong Kong. He considered it appropriate to impose heavier penalty for delays in road excavation works without justified reasons. <u>Mr James TIEN</u> considered that the same penalty charges for delays in road excavation works should also apply to government departments and proper records on such charges incurred should be maintained for audit by the relevant authority.

The proposed penalty system

- 20. Mr James TIEN stated that Members of LP considered that it would not be meaningful, if not impossible, to identify the right person(s) liable to criminal charges under the proposed C&P system since road excavation works involved many parties and a complicated works process. Members of LP also did not see any justification to apply double standards in implementing the proposed criminal sanction for civil servants and non-civil servants. He therefore urged the Administration to consider removing the provision of criminal liability from the proposal.
- 21. Mr Abraham SHEK said that civil servants should not be treated above the law, and should be treated the same as other persons. Mr LAU Ping-cheung held the view that a breach of permit conditions causing delays in road excavation works was incomparable with criminal offences. Moreover, the primary objective of road excavation works undertaken by utility companies was to ensure/enhance the public's access to their services. Imposing a criminal sanction on them for delays in such works was a draconian measure.
- 22. Citing that obstruction to street was also a criminal offence, <u>Mr Albert CHAN</u> considered that the proposed criminal liability should be considered in the light of the serious impact of delays of road excavation works on the community. <u>PAS/W</u> pointed out that under the existing Land (Miscellaneous Provisions) Ordinance (LMPO), there was already a provision for fine and imprisonment for any person who made or maintained a street excavation without or not in accordance with a EP. There were also provisions in other ordinances under which a commercial activity conducted in a way that caused nuisances to the public would carry criminal sanction.
- 23. Mr Albert CHAN said that Members of the Democratic Party could not accept further delay in the implementation of a C&P system for road excavation works, though they would agree to fine-tuning the proposed system where justified. He pointed out that the well-being of the community should override the interests of individual parties. Mr Albert CHAN was concerned how delays in road excavation works without justified reasons could be effectively dealt with if criminal liability was not imposed. He invited deputations to give views on alternative measures to deal with the following situations:
 - (a) contractors had re-deployed workers from road excavation work sites to other jobs, leaving the sites unattended;

- (b) the contractor concerned suspended or forfeited the works after opening up the road for no other reasons but the anticipated high cost for continuing with the works;
- (c) contractors had wound up their business without completing the works.
- 24. <u>Miss Emily LAU</u> shared Mr CHAN's concern that improvement measures to address the problems arising from road excavation works were long overdue. She considered it necessary to balance the interests of the community at large including, local residents and shops affected by road excavation works.
- 25. While admitting that there were situations where contractors had not carried out the works after opening up the roads with due diligence, Mr Billy W H WONG of HKCA opined that these situations represented only a small portion of the problems associated with road openings. In many cases, suspension of works were due to unpredictable circumstances encountered by contractors beyond their control. For example, road excavation works had to be suspended if a rock stratum was found. In the circumstance, the contractor concerned might have to engage a consultant to evaluate the situation before carrying on with the works. If drilling of the rock stratum would be necessary, further time would be required to obtain the necessary permission from relevant government departments such as the Environmental Protection Department for the works. With regard to the situation where the contractor concerned had wound up its business, Mr Billy W H WONG of HKCA held the view that the economic cost caused by the delay was unlikely to be recovered even under the proposed C&P system.
- 26. Regarding the relevant sanctions under the regulatory frameworks of overseas countries for street excavation works, Mr LAU Ping-cheung referred to the information provided by the Administration, and highlighted that non-compliance with the street works licence during the execution of street excavation works in the United Kingdom was liable to a fine only. He therefore urged the Administration to consider removing the existing provision for imprisonment under the LMPO. Mr James TIEN concurred that the Administration should review the propriety of the existing provision for imprisonment having regard to comparable legislation in overseas jurisdictions.
- 27. <u>Miss Emily LAU</u> said that while the Panel should take up the issues/suggestions raised by the deputations with the Administration, she hoped that the deputations would agree to the need to impose an appropriate penalty on the party responsible for causing delays of excavation works without justified reasons in the interest of the community at large.
- 28. Mr Billy W H WONG of HKCA said that contractors were subject to heavy penalty under the prevailing provisions on Liquidated Damages in works contracts. The proposed C&P system should be consistent with Government's works contracts and contractors should not be subject to double penalty for the same reason. Mr Patrick W T CHAN of HKCA held the view that the construction industry was willing to cooperate with the Government and utility companies to improve the

situation and to share the responsibility for unreasonable delays in road excavation works. The Administration should however clearly delineate the respective liability of utility undertakers and contractors under the proposed C&P system, and establish objective and fair criteria for assessing such liability.

Alternative approaches

- 29. <u>Mr LAU Ping-cheung</u> considered that the Administration should devise an incentive system, such as a merit-point system to encourage early completion of road excavation works.
- 30. Mr Billy W H WONG of HKCA said that the Administration should consider other approaches to improve the prevailing road excavation system rather than simply imposing heavier penalty on concerned parties to tackle the problems. He suggested that the Administration should make reference to the past performance of contractors in road excavation works in assessing tenders bids. A similar mechanism should be in place for utility undertakers. PAS/W advised that under the established policy for assessing tenders for public works, contractors' past performance in public works was one of the assessment criteria.
- 31. <u>Ir Dr Raymond HO</u> said that there had been repeated suggestions of constructing common trenches to house all underground utilities for new development areas as a long-term solution to reduce the need for road excavation works. In the interim, promoters of road excavation works should be required to make trial holes/pits to obtain better understanding of the underground conditions so that appropriate methods would be applied for carrying out the works and more accurate assessment for the duration of EPs could be made by the authority. <u>Mr Billy W H WONG of HKCA</u> expressed concurrence with Ir Dr HO's suggestions.
- 32. Mr Allen K K LAW of HK Cable TV said that the Administration should continue exploring other non-legislative measures to address the problems associated with road excavation works. He reiterated his suggestion made to the Administration in the past that spare ducts should be placed at new roads and/or cross-road junctions to facilitate future laying and/or diversion of underground services. PAS/W assured Members that apart from the proposed legislation, the Administration, was trying in many directions to improve the administrative and procedural aspects to minimize the impacts of road excavation works. For example, a working group comprising representatives of government departments and utility undertakers had been set up to standardize utility records.

Other concerns

33. <u>Miss Emily LAU</u> asked whether contractors could cover up the road temporarily if works had to be suspended due to unpredictable technical problems. <u>Mr Billy W H WONG of HKCA</u> said that under the prevailing EP system, contractors were required to arrange a coordinating meeting for parties concerned to explore a feasible ways to resolve the technical problem(s). Contractors were not allowed to cover up the excavated road for safety reasons, unless the Police instructed to cover up the road openings according to certain requirements.

34. Mr Abraham SHEK held the view that the Administration should not introduce the proposed C&P system hastily because of the pressure from the Public Accounts Committee (PAC). Mr Eric LEE Ka-cheung, Chairman of the PAC, clarified that while members of the PAC were very concerned about the far-reaching impact of delays in road excavation works on the community, PAC had not made any conclusion on the issue yet. According to his understanding from the investigation and hearings of the PAC on the issue, the PAC had agreed back in 1980s' that a regulatory framework should be implemented to tackle delays in road excavation works. While the PAC was determined to tackle the issue without any further delay, it had never exerted any pressure on the Administration to impose criminal sanction or otherwise on the parties responsible for such delays. In fact, the PAC had expressed grave concern on the propriety of using criminal sanction to tackle the problem and differential treatments for Government departments and the private sector under a penalty system.

Way forward

35. In the light of the discussion at the meeting, <u>Members</u> agreed that it would be fruitful to convene another special meeting to continue the discussion of the subject among the Administration, the deputations and other interested parties. <u>Members</u> requested the Administration to provide written response to the concerns and suggestions raised by Members and the deputations at the meeting before the next meeting. <u>Members</u> agreed that the special meeting would be held on 20 February 2002 from 2:30 pm to 6:30 pm.

(*Post-meeting note*: The information provided by the Administration was issued to Members vide LC Paper No. CB(1) 1061/01-02(01) on 8 February 2002)

II Any other business

36. There being no other business, the meeting ended at 10: 45 am.

Legislative Council Secretariat 7 March 2002