11.1 At the Chairman's invitation, Dr Sarah LIAO, the Secretary for the Environment, Transport and Works (SETW), briefed members on the main initiatives of the programmes under the Policy Area: Environmental Protection and Conservation (Appendix V-10).

# Estimate for the coming financial year

- 11.2 Ms Emily LAU noted the increase in the financial provision for Personal Emoluments-Salaries under the Environmental Protection Department (EPD) despite the deletion of 14 permanent posts in 2003-04. The Director of Environmental Protection (DEP) explained that of the current establishment of over 1 600 posts in EPD, those to be deleted were mainly of junior ranks. The increase in the provision was to meet the expenses incurred from normal salary increment for existing staff.
- 11.3 Ms Emily LAU questioned why only posts in junior ranks were deleted. She referred to the current establishment and strength in EPD and enquired whether the current vacancies in senior ranks would be deleted to She further sought information on the granting of achieve the target savings. salary increments to staff. DEP clarified that the Administration was not targeting at deleting posts at junior ranks. The posts so deleted were those which had been left vacant. Those in the senior ranks were currently filled by junior officers in acting capacity. It was expected that some senior posts would be deleted in the coming years to achieve savings. DEP advised that all departments were being asked to look at what could be done to achieve efficiency savings in order to reduce budget deficit. EPD was taking the issue seriously and was looking at a whole range of measures, including re-engineering, reprioritizing, re-organizing and outsourcing some of its existing services as far as possible. Given that EPD was a relatively young department with not too many staff due for retirement, it was one of the departments within the civil service which had the lowest vacancy rates. Notwithstanding, posts which had been left vacant would be deleted to achieve the necessary savings. At members' request, the Administration undertook to provide details of the vacant post as well as whether and when the post would be deleted.
- As regards salary increments, DEP explained that this was an established practice where all civil servants up to a certain rank were entitled to annual increments, the number and amount of which would depend on their grades and ranks. While salary increment was separate from the pay reduction, the level of increment had been reduced as a result of the latter. The Deputy

Secretary for Financial Services and the Treasury supplemented that civil servants were entitled to annual increments applicable to their grades and ranks if they had not reached the top of their salary scale.

### **Nature conservation**

- 11.5 Noting that the proposed Nature Conservation Policy was aimed at designating priority sites for conservation according to their value of habitat and biodiversity, Mr WONG Yung-kan considered that measures should also be put in place to prohibit trawling in marine parks, in particular those in the North East New Territories, in an attempt to protect the marine reserves within the area. While acknowledging Mr WONG's view, the Director of Agriculture, Fisheries and Conservation (DAFC) explained that the Administration had to take into account the conservation value of the site as well as the availability of resources in determining the priority for conservation. Besides, designation of these sites had to be legislated and co-operation from the fishing trade had to be sought.
- 11.6 Mr Howard YOUNG asked why the Administration could not meet the target set in the management programme for marine parks and reserves. DAFC explained that this was due to some technical problems which had delayed the designation of the two marine parks at Siu A Chau and Tai A Chau. While further details of the designation had yet to be worked out with the affected fishermen, two additional patrol launches would be made available by the end of 2003 to enhance protection and management of marine parks and reserves. It was expected that the designation of the two marine parks would be completed in twelve months' time.

#### Water

Mr LEUNG Fu-wah enquired if the annual cost of \$1.9 million to process overdue Sewage Charge (SC) and Trade Effluent Surcharge (TES) was a recurrent operating cost. He further asked whether penalty would be imposed on late payment and if so, whether the penalty charges could offset the cost incurred. The Director of Drainage Services (DDS) confirmed that the annual cost to process overdue cases was part of the overall operating cost of the Drainage Services Department (DSD) in handling SC and TES, the amount of which would be determined having regard to the number of overdue cases. He added that surcharges which amounted to 5% and 10% of the charges would be imposed on first and subsequent late payments respectively. However, the Administration might not be able to recover SC and TES from enterprises which had closed

down.

- 11.8 Instead of having the Water Supplies Department (WSD) and DSD to provide separate services for water supply and sewage treatment/discharge, Mr LEUNG Fu-wah opined that consideration should be given to amalgamating these services under one department to achieve greater efficiency. SETW explained that as water pipes were separate from drainage sewers, it would not be administratively possible to have a single department to manage the two different systems. Notwithstanding, both DSD and WSD would work closely to take forward the policy decision on water recycling.
- Ir Dr Raymond HO noted that the financial provision for sewage 11.9 services under DSD would be increased by \$28.1 million in 2003-04 as a result of the increased requirements for operating new plants and maintaining ageing sewage facilities. As the estimated provision of \$15.1 million for maintaining ageing sewage facilities was not much higher than that of \$13 million for operating new plants, he asked if the high operating cost of new plants was due to the need for spare parts, which usually accounted for 3% to 5% of the construction cost but should have been included in the original construction contract for the new plants. DDS explained that new plants referred to those which came into operation in 2003-04, such as the new sewage treatment facilities at Kong Sin Wan and Chi Ma Wan, whereas ageing sewage facilities included those sewage pumping stations and sewage treatment plants commissioned years ago which required regular maintenance. He added that apart from spare parts, electricity, chemical and routine maintenance also constituted the main expenses in operating new plants.

### Waste

11.10 Mr Martin LEE found the existing practice of disposing fallen leaves along trail walks in garbage bags contrary to the principle of waste recycling. He pointed out that unlike non-degradable waste which should be kept in garbage bags, fallen leaves should be swept aside and allowed to degrade. SETW remarked that the trail walks referred to by Mr LEE should be those in urban area where cement was used for surfacing, rendering it not possible for fallen leaves to degrade. Notwithstanding, research was being carried out on the feasibility of using biodegradable waste materials for composting.

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## Air

- 11.11 Given the slow progress in the installation of particulate removal devices for pre-Euro diesel vehicles up to four tonnes and the replacement of diesel public light buses (PLBs) by liquefied petroleum gas (LPG) ones, Ms Miriam LAU asked how the Government could achieve its pledge for reducing respirable suspended particulates and nitrogen oxides emissions by 80% and 30% respectively by end-2005. DEP affirmed that measures, including the incentive scheme to encourage the replacement of diesel PLBs, had been put in place to improve air quality. Under the scheme, owners of diesel PLBs who replaced their vehicles with a LPG or electric model would be offered a one-off grant of \$60,000 or \$80,000 respectively. The deadlines of application for the one-off grant for owners of diesel PLBs aged 10 or above at the time of replacing their vehicles would be end-2004 and for owners of diesel PLBs below 10 years So far, about 390 diesel PLBs had been replaced. The old would be end-2005. take-up rate of the PLB scheme was quite different from that of the previous LPG Taxi Scheme since unlike taxi drivers who were highly mobilized and had easy access to LPG filling stations, PLB drivers, particularly those operated on fixed routes, might have difficulty in getting LPG refill. While the switch from diesel to LPG remained a commercial decision, the Administration was confident that more diesel PLBs would be replaced by LPG ones in the next year or two before the expiry date of the incentive scheme.
- Ms Miriam LAU cast doubt on the efficacy of the incentive scheme given that some of the diesel PLBs had already been switched to Euro III models. She also asked if LPG vehicles were in fact cleaner than Euro III models. DEP confirmed that LPG models were cleaner than Euro III ones which in turn were cleaner than their Euro II counterparts in terms of nitrogen oxides and particulates emissions. As the overall take-up rate of the incentive scheme would depend on a number of factors such as the bus routes, it was not possible at this stage to predict the number of diesel PLBs to be replaced. In view of the obvious financial benefits, it was expected that a large number of diesel PLBs would take part in the incentive scheme.

### **Noise**

11.13 Ms Emily LAU questioned why the Administration had to take such a long time to proceed with the Study to evaluate the adverse impact of environmental noise on public health in Hong Kong (the Study), which was estimated at a cost of \$3.5 million. SETW assured members that there was no

question of procrastination in proceeding with the Study but more efforts were needed to ensure its efficacy. In this connection, she had personally taken part in a review of the scope and methodology of the Study. It was subsequently decided that the Study should focus on the unique situation of Hong Kong. The impact of noise in the urban and rural areas would be evaluated taking into account the different lifestyles of the affected community. Given that most of the current studies on noise impact were based on anecdotal evidence i.e. evidence from past cases, efforts had been made to identify an international standard since the Study would unlikely be fruitful in the absence of an acceptable noise standard. At Ms LAU's request, the Administration undertook to provide details of the Study such as its scope, methodology, timing and cost.

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