

立法會
Legislative Council

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by the Administration)

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Panel on Planning, Lands and Works

Minutes of meeting
held on Tuesday, 22 May 2007 at 2:30 pm
in the Chamber of the Legislative Council Building

- Members present** : Hon LAU Wong-fat, GBM, GBS, JP (Chairman)
Prof Hon Patrick LAU Sau-shing, SBS, JP (Deputy Chairman)
Hon James TIEN Pei-chun, GBS, JP
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Dr Hon LUI Ming-wah, SBS, JP
Hon James TO Kun-sun
Hon Bernard CHAN, GBS, JP
Hon CHAN Kam-lam, SBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon Miriam LAU Kin-yea, GBS, JP
Hon CHOY So-yuk, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Vincent FANG Kang, JP
Hon LEE Wing-tat
Hon LI Kwok-ying, MH, JP
Hon Daniel LAM Wai-keung, SBS, JP
Dr Hon KWOK Ka-ki
Hon CHEUNG Hok-ming, SBS, JP
- Members absent** : Hon WONG Yung-kan, JP
Hon Albert CHAN Wai-yip
Hon Alan LEONG Kah-kit, SC

**Public officers
attending**

: Agenda item IV

Mr Michael SUEN
Secretary for Housing, Planning and Lands

Mrs Rita LAU
Permanent Secretary for Housing, Planning and Lands
(Planning and Lands)

Ms Olivia NIP
Deputy Secretary for Housing, Planning and Lands
(Planning and Lands) 2

Mr CHEUNG Hau-wai
Director of Buildings

Agenda Item V

Miss Annie TAM Kam-lan
Deputy Secretary for Housing, Planning and Lands
(Planning and Lands) 1

Mrs Ava NG TSE Suk-ying
Director of Planning

Mr Jeff LAM Yun-tong
Assistant Director of Lands (Headquarters)

Agenda Item VI

Mr CHAN Yun-cheung
Principal Assistant Secretary for the Environment,
Transport and Works (Works)

Mr HON Chi-keung
Deputy Head of Civil Engineering Office
(Project and Environment Management)
Civil Engineering and Development Department

Mr IP Kwai-hang
Chief Engineer/Fill Management
Civil Engineering and Development Department

Mr CHAN Chun-shing
Senior Engineer/Project 4
Civil Engineering and Development Department

Agenda Item VII

Ms Olivia NIP
Deputy Secretary for Housing, Planning and Lands
(Planning and Lands) 2

Mr Edward TO
Principal Assistant Secretary for Housing, Planning and
Lands (Planning and Lands) 3

Mr K A SALKELD
Land Registrar

Ms Teresa WONG
Deputy Principal Solicitor
Land Registry

Clerk in attendance : Ms Anita SIT
Chief Council Secretary (1)4

Staff in attendance : Mr WONG Siu-yee
Senior Council Secretary (1)7

Miss Clara LO
Legislative Assistant (1)3

Ms Christina SHIU
Legislative Assistant (1)7

Action

- I Confirmation of minutes**
(LC Paper No. CB(1)1641/06-07 -- Minutes of meeting on 27 March 2007)

The minutes of the meeting held on 27 March 2007 were confirmed.

- II Information papers issued since last meeting**
(LC Paper No. CB(1)1442/06-07(01) -- Information paper on "PWP Item No. 460CL - Tai Po development - Formation and servicing of Areas 12 (part) and 39, phase 2 remaining works" provided by the

LC Paper No. CB(1)1619/06-07(01) --	Administration Information paper on "45WS - Salt water supply for North West New Territories" provided by the Administration
LC Paper No. CB(1)1619/06-07(02) --	Information paper on "109CD - Drainage improvement works in Tai Po" provided by the Administration
LC Paper No. CB(1)1639/06-07(01) --	Information paper on "PWP Item No. 723CL - Engineering Infrastructure Works for Pak Shek Kok Development, Stage 2D - Road L3 and Road L7" provided by the Administration)

2. Members noted the information papers issued since last meeting.

III Items for discussion at the next meeting

(LC Paper No. CB(1)1643/06-07(01) -- List of outstanding items for discussion

LC Paper No. CB(1)1643/06-07(02) -- List of follow-up actions)

3. In relation to the request from Mr LEE Wing-tat, Dr KWOK Ka-ki and Mr Alan LEONG made vide LC Paper No. CB(1)1680/06-07(01), Mr LEE Wing-tat considered that in view of the fact that the Antiquities Advisory Board (AAB) had recently assessed the Queen's Pier to be a Grade I historic building, the arrangements for preservation of the Queen's Pier should be further discussed. Noting that the Public Works Subcommittee would discuss the funding proposal for preservation of the Queen's Pier again on 23 May 2007, he said that he would object to the funding proposal and hoped that it would be voted down.

4. Mr Abraham SHEK queried whether it was necessary for the Panel to further discuss the arrangements for preservation of the Queen's Pier given that the Panel had already discussed this subject for many times. He further pointed out that heritage assessment fell outside the purview of the Panel on Planning, Lands and Works. If the Panel on Home Affairs discussed the subject, members of the Panel on Planning, Lands and Works could be invited to attend. He suggested that Mr LEE Wing-tat could request the Panel on Home Affairs to discuss the subject.

5. Prof Patrick LAU advised that as AAB was undergoing a reform, there might be amendments to the relevant legislation. Heritage conservation would come under the purview of the Development Bureau after the proposed

re-organization of the Government and there would be many changes. The Legislative Council should be attentive of the new developments.

6. The Clerk said that the Panel on Home Affairs had been following up matters relating to the policy on heritage conservation under its purview.

7. The Chairman referred to Ms Miriam LAU's suggestion made at the beginning of the current legislative session of inviting members to consider advancing the date of the regular meeting in July 2007 and consulted members on whether the date of the meeting should be advanced to 17 July 2007. After discussion, members decided that the original meeting date of 24 July 2007 would be retained.

IV Public Consultation on Mandatory Building Inspection

(LC Paper No. CB(1)1643/06-07(03) -- Information paper provided by the Administration)

8. The Secretary for Housing, Planning and Lands (SHPL) said that the Administration had carried out a two-stage public consultation on building management and maintenance and there was a community consensus that owners should be responsible for maintaining their buildings, including shouldering the related costs. The community also indicated support for the introduction of a Mandatory Building Inspection Scheme (MBIS) and a Mandatory Window Inspection Scheme (MWIS). The Administration had taken on board the views of the public as far as practicable, and revised the proposed 7-year building inspection cycle to a 10-year cycle. For window inspection, the proposed 3-year inspection cycle was revised to a 5-year cycle, and the age of target buildings relaxed from 5 years to 10 years. The Administration intended to allow more qualified professionals to be building inspectors under the MBIS. The Administration had secured the support of the Hong Kong Housing Society (HKHS) to provide financial and technical assistance to elderly owners and owners in need, such as subsidizing the first building inspection cost and offering loans. Flexible repayment methods for loans would also be considered. The MBIS and MWIS would ensure building and public safety, enhance the overall living environment and promote sustainable development. The schemes would also benefit individual property owners, as the market values of properly maintained buildings would increase and the owners concerned could obtain insurance coverage more easily and at lower insurance premiums. The Administration would introduce the relevant legislation into the Legislative Council for scrutiny as soon as possible.

9. Mr LEE Wing-tat thanked the Administration for accepting many of the comments made by the Democratic Party in 2006, including the provision of subsidy for the first building inspection to needy owners and securing the support of HKHS to provide financial and technical assistance to eligible owners. However, he was worried that some elderly property owners could not afford the

maintenance costs even with the financial assistance from HKHS. He asked whether HKHS could pay the maintenance costs first and then register the costs against the title with the Land Registry to obligate the owner or his/her heir to repay the costs when the property concerned was sold. As regards enlarging the pool of building inspectors, he expressed concern about the quality of some small-scale building inspection companies and the expertise of some of the inspectors. He asked whether there would be any mechanism for monitoring the quality of the inspectors.

10. In response, the Permanent Secretary for Housing, Planning and Lands (Planning and Lands) (PSPL) said that the suggestion made by Mr LEE regarding elderly owners would impose a long-term financial burden on HKHS. The Administration considered that financial assistance should be offered to owners in need on a case-by-case basis and HKHS would provide assistance to these owners as far as possible. As regards building inspectors, enlarging the pool of inspectors would provide more choice, enhance competition and drive the inspection costs down. Under the current proposal, the Buildings Department (BD) would create a register under the Buildings Ordinance (Cap. 123) for building inspectors to ensure proper regulation and monitoring of inspectors and enhance accountability to the public.

11. Mr James TIEN said that the Liberal Party supported the Administration's proposal in principle, but was concerned about the shortage of building inspectors and maintenance professionals with comprehensive knowledge in various aspects of building maintenance. At present, property owners often encountered the situation that after paying substantial amounts for carrying out certain maintenance works, it was later found that those maintenance works had given rise to other maintenance problems. He urged the Administration to pay attention to these matters. On the selection of target buildings for inspection, the Administration should prioritize the buildings to be inspected. As owners would be more concerned about interior maintenance works which could enhance the interior condition of their properties, he urged the Administration to accord higher priority to carrying out exterior maintenance works, such as maintenance of external walls and windows, which would affect public safety. The corresponding financial assistance should therefore be higher for exterior maintenance works.

12. In response, PSPL said that public safety would be the primary consideration when selecting the target buildings for inspection each year. There would be a fair and transparent mechanism and objective criteria for selecting the target buildings, and the relevant District Councils and professionals would be consulted during the process. About 500 buildings would be selected per quarter and there would be a six-month lead time for owners' preparatory work before carrying out building inspection. At present, for buildings which posed danger to the public, BD would take enforcement action by issuing repair orders. Priority would be given to the inspection of common areas in buildings, such as external walls and structures, which would affect public safety. For owners in need, HKHS

would also provide financial assistance for carrying out interior maintenance works where appropriate.

13. Mr Abraham SHEK expressed support for the Administration's proposal, but shared the view that many of the affected owners were not affluent. Some owners depended on the rentals from their properties to barely maintain their living. Even if HKHS would provide financial assistance for the first time building inspection, those owners could not afford the maintenance costs. This would in turn affect tenants in old districts because the maintenance costs might be passed on to them. Although the proposed MBIS had its merits, there were already legislative measures regulating building maintenance and the scheme would only be an additional measure to expedite building maintenance. As such, the affordability of the owners should be given due consideration in implementing the scheme. As the target buildings might also be potential buildings for redevelopment by the Urban Renewal Authority (URA), there should be good coordination between the future MBIS and the URA's work to avoid the situation where some buildings might be included in URA's redevelopment projects shortly after maintenance works had been carried out, or where some owners refrained from carrying out maintenance works for their buildings in anticipation of redevelopment but those buildings were not included in URA's redevelopment projects in the end. URA should first bear the maintenance costs of public areas of the target buildings included in URA's redevelopment projects and then recover the costs later. He also expressed concern on the implementation details such as measures to deal with owners who refused to pay the necessary costs. If priority would be given to exterior building maintenance, he was worried that the interior condition of dilapidated buildings would worsen. In implementing the proposal, there should be adequate ancillary measures to avoid creating any disharmony in society.

14. Dr KWOK Ka-ki said that although the principle behind the MBIS and MWIS was good, they would become unpopular schemes if they brought undue hardship to the public. He expressed concern on how to define deliberate non-compliance with inspection and maintenance orders in prosecuting uncooperative owners. It might be difficult to differentiate between affordability and deliberate non-compliance. He was worried that HKHS would cease to provide financial assistance when it ran into financial difficulty. He asked whether the Administration would pledge that HKHS, URA or some other organizations would provide assistance to needy owners and what role the Administration would play if no organization would provide such assistance. He pointed out that elderly owners might find it difficult to afford the maintenance costs and enquired about the measures to assist them. He also enquired about the estimated costs for inspection and maintenance.

15. In response, PSPL emphasized that the MBIS and MWIS aimed to encourage owners to maintain their buildings regularly rather than penalizing owners who could not afford the costs. Members would have the opportunity to scrutinize in detail the provisions of the relevant legislative proposal. The

penalties would be targeted at those who deliberately obstructed the necessary inspection or maintenance works without any reasonable excuses. As regards the provision of financial assistance by HKHS, the Administration had confidence in HKHS because of HKHS's experience, previous performance and financial status. It was estimated that each household would have to pay around \$400 to \$2,400 for the first building inspection, depending on the condition of the flat, and about \$5,000 to \$40,000 for maintenance. The maintenance cost for a whole building was estimated to range from \$300,000 to \$4,000,000. Window inspection would cost around \$400 and general maintenance would cost around \$500. Complicated works such as replacement of all windows would cost about \$18,000. While owners would have to bear the ultimate responsibility for upkeeping their properties, the Administration would make every effort to assist owners in need.

16. PSPL emphasized that the Administration fully understood the situation faced by the elderly and less affluent owners and would consider measures to assist them, such as allowing owners in need to repay the loans upon the sale of their properties or at a time when they could afford to do so. The measures would be flexible and accommodating. The Administration recognized that owners might not carry out building maintenance voluntarily. Through concerted efforts, the Administration was confident that various implementation issues could be resolved. Although URA had been undertaking building rehabilitation programme, it already had a lot of difficult and challenging urban renewal projects in hand. Having regard to resource and manpower constraints, URA should focus on the urban renewal projects under its five-year plan. Under the present proposal, HKHS would be assisting the Government in implementing the two schemes.

17. Ir Dr Raymond HO said that the proposal for mandatory building inspection had been raised some eight years ago and discussed for several times. The crux of the issue was between sentiment considerations and reasonableness. He was particularly concerned about safety hazards posed by unauthorized building works (UBWs) and signboards on external walls of buildings. As the values of properly maintained buildings would be enhanced, owners should bear the maintenance costs. Providing financial assistance for the first building inspection was out of sentiment considerations rather than reasonableness. He fully understood the difficulties and complications in implementing the MBIS, especially for buildings without owners' corporations (OCs), but the Administration's work was a good start. The Administration had conducted extensive consultation work. He considered that there would not be any shortage of qualified building inspectors. He asked whether the Administration had consulted professional organizations on which types of professionals could take up the role of building inspectors.

18. In response, PSPL said that there had been two rounds of consultation and extensive discussion on the subject by the Legislative Council, District Councils and professional organizations, and the details could be found in the consultation report tabled. The Administration would continue to solicit and assimilate further views. The Director of Buildings (DB) added that the Administration had

consulted professional organizations and the preliminary thinking was that professional architects, building surveyors, structural engineers, building engineers and civil engineers registered under the Architects Registration Ordinance (Cap. 408), Engineers Registration Ordinance (Cap. 409) or Surveyors Registration Ordinance (Cap. 417) with relevant experience could be considered eligible for performing the role of building inspectors. The Administration would continue to discuss the details with professional organizations.

19. Ms Miriam LAU said that it was a good policy to implement the MBIS although many difficulties would be encountered during the process. She agreed to a 10-year inspection cycle but had heard some views that a 7-year cycle would be less costly for owners because the scale of maintenance works would be smaller if the cycle was shorter. She asked whether those views were substantiated and whether the Administration had conducted research on the issue. She expressed concern about how the scheme would be implemented for old buildings without OCs. She opined that the Administration should request URA to redevelop dilapidated buildings rather than maintaining those buildings under the scheme. There should be prioritization for inspection of buildings aged 30 or above, with older buildings having a higher priority. If the pool of building inspectors was too small, the number of maintenance works projects that could be carried out within a specific timeframe would be few and maintenance costs would be expensive. She urged the Administration to enlarge the pool of inspectors so that the public would not have to pay high maintenance costs.

20. In response, PSPL said that if a building had been well maintained, a 7-year inspection cycle might entail fewer maintenance items and lower costs. However, as many older buildings were in need of proper maintenance, a 10-year inspection cycle would be more appropriate. Whether to adopt a 7-year cycle or a 10-year cycle was a matter of striking the right balance. Since it was important to assist owners of old buildings without OCs in discharging their duties, HKHS would assist owners to form OCs. If some buildings failed to form OCs due to various practical reasons, HKHS would still provide assistance with flexibility. In selecting the target buildings, the condition of buildings would be an important criterion because some buildings aged 30 to 40 could be in good condition. The selection process would be transparent so that owners would not feel pressurized and resist the scheme. URA had been undertaking projects to redevelop dilapidated buildings, and this would remain one area of work to be undertaken by URA.

21. Mr Albert HO expressed support for providing financial assistance and loans with a long repayment period for needy owners, especially the elderly, but there should be a screening mechanism because some wealthy people might purchase old buildings for investment and in the hope of obtaining compensation upon redevelopment. He considered that UBWs should be cleared because there was no reason to carry out maintenance works for UBWs. As conflicts might arise between OCs and owners of properties with UBWs, the Administration should step up enforcement action against UBWs for buildings requiring mandatory

inspection. Building maintenance was a complicated matter and there should be a property management advisory centre in each district to provide owners with practical advice and information. There should also be a dispute resolution mechanism to handle various types of disputes arising from the maintenance works.

22. In response, PSPL said that there would be a screening mechanism to ensure that financial assistance would only be offered to those with genuine need. As regards property management advisory centres, HKHS had already opened nine centres to provide support to owners and the Administration welcomed the opening of more centres. BD and Home Affairs Department would also continue to offer assistance to owners. The Administration had considered the idea of establishing a dedicated dispute resolution mechanism to resolve disputes related to building management and maintenance. In view of the fundamental concern regarding the right of legal representation and the possible human rights implications if legal representation was dispensed with, the Administration considered the existing mechanism of resolving disputes through the Lands Tribunal appropriate. The Administration would continue to study the feasibility of setting up a simple dispute resolution mechanism.

23. Regarding clearance of UBWs in target buildings, PSPL and DB advised that under the present proposal, clearance of UBWs would not be covered by the MBIS. BD would prioritize the clearance of UBWs in accordance with the existing policy. Upon implementation of the MBIS, building inspectors would report the existence and condition of UBWs identified to BD and BD would then decide how to handle them in accordance with its existing policy. A removal order would be issued to the owner concerned if immediate action was required and there was no need for OCs to take action. Apart from new UBWs and existing UBWs posing immediate danger, BD would also demand clearance of UBWs which obstructed the maintenance works.

24. Prof Patrick LAU expressed concern that the public might not know whether the inspection fees and maintenance costs quoted were reasonable. There should be clear guidelines for carrying out building inspection and maintenance and the Administration should prepare estimates on inspection fees and maintenance costs for reference by owners. Although it might not be the best method, combining inspection and maintenance as a single job might be a possibility. The most crucial issue was for URA to identify buildings which should be redeveloped and therefore should not be included as target buildings under the MBIS. More personnel should be trained to assist qualified professionals in carrying out their work. The structures of buildings should be inspected and rectified if necessary before carrying out maintenance works for other parts of the buildings, such as external walls. The advisory centres would be very important because through the centres, professionals could provide the public with details about building inspection and maintenance to enhance their understanding. He asked whether there would be a trial period before implementing the MBIS.

25. In response, PSPL said that the Hong Kong Institute of Surveyors had agreed to publish advisory fee levels for inspection and rectification works for owners' reference. As the actual costs would depend on the condition of buildings, the advisory fee levels might only provide an indicative price range. Separately, the Administration would ensure good coordination with URA to avoid subjecting buildings under URA's redevelopment projects to MBIS. In the past, Government departments and HKHS had been actively assisting owners in building maintenance. As such, the Administration and HKHS would have sufficient experience in implementing the MBIS after enactment of the relevant legislation. DB said that BD was preparing detailed guidelines, including items for inspection, work procedures and maintenance standards, for reference by building inspectors, contractors and the public. The guidelines would also serve as a basis for setting advisory fee levels. For buildings with complicated structural problems, the guidelines would also stipulate that building inspectors should consult registered structural engineers.

26. Miss CHOY So-yuk welcomed a 10-year inspection cycle but expressed concern about the possible conflicts arising from disputes on inspection and maintenance costs. As inspection costs could be more easily estimated, she asked whether an indicative price list for inspection could be provided. As the number of disputes relating to building maintenance was expected to be high, she was disappointed that the Administration would not establish a dedicated dispute resolution mechanism and urged the Administration to reconsider the issue. Apart from cost considerations, the waiting time for the Lands Tribunal to process cases was very long, bearing in mind that owners would only be given a six-month lead time to prepare for inspection. She sought clarification on the criteria for eligibility for HKHS's financial assistance and was worried that only a very small number of needy owners could benefit from it. She considered that the criteria should be lenient and transparent.

27. In response, PSPL said that advisory fee levels for various inspection and rectification items would be available for owners' reference. The Administration would collaborate with the Independent Commission Against Corruption in identifying anti-corruption measures in relation to the implementation of the two proposed schemes. As regards the dispute resolution mechanism, while legal representation might involve a higher cost and more complicated procedures, the rights of owners to have legal representation should also be respected. The Judiciary was exploring possible measures to streamline the procedures of the Lands Tribunal in processing dispute cases.

28. Mr CHAN Kam-lam welcomed the proposed schemes because they could assist property owners in old districts to carry out proper maintenance. As UBWs were present in many old buildings, adopting the existing policy where the need for immediate clearance was based on safety considerations might be problematic because maintenance works to be carried out after inspection might require the clearance of UBWs first. He considered that all UBWs in target buildings should

be cleared regardless of whether they would pose immediate danger. Education should be stepped up to make owners aware of their responsibility in building management and maintenance. Assistance from the Government should not be taken as granted. Some owners were only concerned about interior building maintenance and did not consider exterior building maintenance as their responsibility. Some even ignored water seepage which caused nuisances to the occupiers of the flats below. For many old buildings, the OCs might cease to function after completion of the building maintenance works for the first time because many residents in those buildings were elderly, new immigrants, less affluent, or non-locals who might not communicate well with local residents. These residents might not have the initiative, experience and knowledge to properly manage their buildings. There should be ancillary measures to complement the schemes and owners should continue to maintain and manage their buildings properly after the Administration had provided assistance for the first time.

29. In response, PSPL shared the view that it would be most ideal to make use of the opportunity of MBIS to clear all UBWs. However, such an arrangement might lead to a lot of conflicts between individual owners and OCs. Such conflicts would affect the implementation of the MBIS and delay the necessary rectification works. In deciding not to include the clearance of all UBWs as part of the MBIS requirements, the Administration had taken a practical approach by striking the right balance rather than simply considering the desirability of the arrangement. She also shared the view that there should be adequate public education to enhance the community's awareness on building management and maintenance. Building management was a fundamental issue and the Home Affairs Department would continue to promote it. The recently enacted Building Management (Amendment) Ordinance 2007 might be of help in this regard. The Administration would also cooperate with District Councils to promote proper building management.

30. Mr James TO said that by providing subsidy for the first building inspection through HKHS, the Administration demonstrated its intention to cooperate with the public on building maintenance. He suggested that apart from financial assistance, technical advice for the first inspection should also be provided by HKHS so as to ascertain what maintenance works would be required and convince owners that those works were in fact necessary. There should be coordination with URA to accord priority to redevelop dilapidated buildings which did not warrant spending high costs on maintenance. Apart from URA, the Administration should urge HKHS to consider undertaking the redevelopment of those buildings because it already had detailed inspection reports on some of the buildings.

31. In response, PSPL said that HKHS would provide technical advice on the rectification items specified by building inspectors. It would be for owners to make an informed decision on whether to redevelop or maintain their buildings based on individual circumstances. Since URA already had a lot of urban renewal projects in hand, resource and manpower constraints would have to be considered if additional projects were to be undertaken. The Administration would take note of Mr James TO's comments for further consideration. SHPL added that the details of the two schemes could be followed up during the legislative process. He suggested that the Administration would collate members' views and concerns to facilitate future discussion on the subject.

V Amendments to Outline Zoning Plans made by the Town Planning Board to impose development restrictions

(LC Paper No. CB(1)1643/06-07(04) -- Information paper provided by the Administration

LC Paper No. CB(1)1643/06-07(05) -- Background brief on "Amendments to Outline Zoning Plans made by the Town Planning Board to impose development restrictions" prepared by the Legislative Council Secretariat)

32. Due to overrun in the discussion of Agenda Item IV, members agreed that the discussion of Agenda Item V would be deferred to another meeting.

VI PWP Item 657CL — Demolition of buildings, structures and chimneys at Kwai Chung Incineration Plant

(LC Paper No. CB(1)1643/06-07(06) -- Information paper provided by the Administration)

33. The Deputy Head of Civil Engineering Office (Project and Environment Management) of the Civil Engineering and Development Department (DH/CEO(P&EM)) briefed members on the details of the Administration's proposal. The project was a designated project under Schedule 2 to the Environmental Impact Assessment (EIA) Ordinance (Cap. 499) and an environmental permit (EP) was required for the project. The EIA report was approved by the Environmental Protection Department (EPD) in January 2002 and an EP was issued by EPD on 1 March 2002. As revealed from the EIA and the subsequent site investigation, the buildings, structures and chimneys at the Kwai Chung Incineration Plant site were contaminated with asbestos-containing materials (ACM) and/or dioxin-containing materials (DCM). The underground soil was contaminated with heavy metals and hydrocarbons. The project works included removal of ACM and DCM, demolition of building structures and

chimneys, ground decontamination works, environmental mitigation measures and environment monitoring and audit programme. The Administration would control noise, dust, site surface runoff nuisances and chemical waste treatment to within established standards and guidelines through the implementation of mitigation measures in the contract. An independent environmental checker would be engaged for environmental monitoring and audit to ensure timely and effective implementation of the recommended mitigation measures. The Administration consulted the Kwai Tsing District Council on 17 April 2007 and it strongly demanded early commencement of the project. The Administration would report the progress of the project to the Kwai Tsing District Council. The Administration intended to seek the endorsement of the Public Works Subcommittee in June 2007 for a funding provision of \$191 million so that the works could commence in October 2007.

34. Miss CHOY So-yuk considered that demolition of obsolete incineration plants should be carried out as soon as possible. She expressed support for the Administration's proposal and enquired about the timing for demolition of the Kennedy Town Incineration Plant. She enquired how the Administration would handle the DCM present at the Kwai Chung Incineration Plant. She asked whether the DCM would be handled at the Tsing Yi Incineration Plant like the case for the Choy Lee Shipyard site or at a dedicated incineration plant to be built in-situ. She further asked whether consultation had been carried out if the Tsing Yi Incineration Plant was to be used. She also enquired about the transport arrangements for delivering the DCM.

35. In response, DH/CEO(P&EM) said that the funding proposal for demolition of the Kennedy Town Incineration Plant would also be submitted to the Public Works Subcommittee for consideration at its meeting on 6 June 2007 after having consulted the Panel on Housing. Demolition works would commence in September or October 2007. As regards the treatment of DCM found at the ash bunker of the Kwai Chung Incineration Plant, he explained that the DCM would firstly be removed in a negative pressure environment. They would then be stabilized by mixing with cement and Toxicity Characteristic Leachate Procedures (TCLP) tests would be carried out to assess the stability of the mixture. If found to be stable, the DCM would probably be transported to a landfill by sea.

36. Noting the explanation from DH/CEO(P&EM), Miss CHOY So-yuk enquired why the treatment method to be adopted for the Kwai Chung Incineration Plant was different from that for the Choy Lee Shipyard site where the incineration method was adopted. She expressed concern about disposal of the DCM at a landfill as the dioxin would remain at the site and might release in future. She enquired about the fallback arrangements if the effectiveness of the treatment method to be adopted for the Kwai Chung Incineration Plant turned out to be unsatisfactory.

37. In response, DH/CEO(P&EM) explained that the treatment method to be adopted would depend on the individual circumstances under different projects. For the Choy Lee Shipyard site, the quantity of DCM discovered was very substantial. For the Kwai Chung Incineration Plant, only the ash bunker of the plant was contaminated and the amount of DCM was much smaller. As such, the treatment methods would be different. According to the EP, the treatment of DCM would be acceptable if it could comply with the one part per billion toxicity equivalent (1 ppb TEQ) criterion for the TCLP tests. No incineration would be necessary under the circumstances. If the treatment method to be adopted for the Kwai Chung Incineration Plant could not meet the landfill disposal requirements, the incineration method would be the last resort in accordance with the EIA report.

38. Ir Dr Raymond HO declared that the Kwai Chung Incineration Plant was one of the projects that he had undertaken some 30 years ago. He shared the view of the Administration that there were different methods for treating DCM, and incineration was only one of the methods. He did not support adopting the incineration method and agreed that it should be the last resort. He pointed out that as the DCM at the Kwai Chung Incineration Plant were found at the ash bunker, they could be easily handled. The Administration's treatment method was the easiest and least expensive method. Regarding the demolition of the chimney, he asked whether the Administration would adopt the blasting method because it would be less expensive and cutting through thick concrete at the lower parts of the chimneys would be a difficult task.

39. In response, DH/CEO(P&EM) explained that according to the EP, the blasting method could not be adopted for demolishing the chimney of the Kwai Chung Incineration Plant because of the proximity to the Tsing Kwai Highway and Kwai Chung Preliminary Treatment Works, which were only located at a distance of approximately 30 metres and 10 metres from the chimney respectively. The cutting method had to be adopted at a height above 10 metres while the pneumatic breaking could be adopted at a height at or below 10 metres. As such, the Administration would adopt the cutting method for demolishing the chimneys and sufficient time had been allocated for the works.

40. Prof Patrick LAU commented that because of environmental protection requirements, the demolition of the Kwai Chung Incineration Plant was a very expensive and time-consuming project. Although the project estimate included works and measures to satisfy requirements in environmental protection, he urged the Administration to ensure that the project estimate was reasonable in the eyes of the public.

41. In response, DH/CEO(P&EM) explained that the long project time was due to the presence of ACM and DCM, which had to be removed, treated and disposed of first. The demolition of the chimneys would also require extra caution in view of the proximity to the Tsing Kwai Highway and Kwai Chung Preliminary Treatment Works. As the underground soil was contaminated with heavy metals and hydrocarbons, decontamination works would be required. Extra time would

be required for decontamination works because the site was near the waterfront and heavy metals and hydrocarbons were found deep underground. Moreover, the Kwai Tsing District Council and the public were very concerned about the potential environmental impacts arising from the demolition and decontamination works of the project. As professional staff would be required for supervising the works and monitoring the environmental performance, consultants' fees would accordingly be higher due to higher resident site staff costs.

42. As members did not have other views on the Administration's proposal, the Chairman thanked the Administration and concluded the discussion of the subject.

VII Proposed retention of four supernumerary directorate posts in the Land Registry

(LC Paper No. CB(1)1643/06-07(07) -- Information paper provided by the Administration)

43. The Deputy Secretary for Housing, Planning and Lands (Planning and Lands) 2 (DS/P&L2) said that the Administration's proposal was to seek members' support for the retention of four supernumerary directorate posts in the Land Registry so as to carry out follow-up work since the enactment of the Land Titles Ordinance (Cap. 585) (LTO) in 2004 and preparatory work before the LTO could be brought into effect. In view of the scale, complexity and volume of the work, the Administration proposed that the above four supernumerary directorate posts be extended for a period of 36 months.

44. The Land Registrar (LR) then briefed members on the details of the Administration's proposal. He said that first part of the Administration's paper provided a report on the progress with the follow-up work made since enactment of the LTO, and the second part contained the proposal for retention of the above four supernumerary directorate posts. The Administration planned to submit the staffing proposal to the Establishment Subcommittee in June 2007. The Administration had been endeavouring to make the land titles registration system as clear and efficient as possible and to establish a system which would be user-friendly and straightforward to operate right from the start. It was estimated before the LTO was enacted in July 2004 that it would take at least two years to carry out the required post enactment review of the LTO and preparatory work before the commencement of the LTO. Although the review would not bring about changes to the fundamental principles and approaches in introducing the land titles registration system, some additional major issues were identified during the review and it was concluded that an amendment bill would need to be enacted before the LTO could be brought into effect.

45. LR emphasized that solutions to many of the issues identified had already been found and incorporated into a working draft of the Land Titles (Amendment) Bill (LTAB) which had been circulated to relevant parties for consideration. However, there were still remaining issues that had to be tackled and discussed with relevant parties before the final draft could be issued. The Administration intended to complete the drafting of the LTAB and the drafting of the subsidiary legislation for introduction into the Legislative Council towards the end of 2008. Apart from legal work, the Administration was carrying out other preparatory work as far as possible, such as information technology development, public information framework, professional education, conversion of deeds registers and preparation of forms, covenants and other documents, including electronic ones, for comments and trial runs by lawyers. He anticipated that the bills committee would take about one year to work on the LTAB, and residual work after the enactment of the LTAB, such as enactment of the subsidiary legislation and commissioning of the information technology systems and professional and public education, would take another year to complete. Conversion of the existing deeds registers would be completed before the end of a period of 12 years from the commencement of the LTO. He emphasized that the work related to the LTO had to be carried out thoroughly and all relevant parties had to be fully consulted. He would not advise the commencement of the LTO until then.

46. Ir Dr Raymond HO said that land titles were very complicated issues and obviously, the Administration had grossly underestimated the workload and complexity of the issues involved. The Administration should have learnt a lesson from this matter. Appreciating the fact that a lot of time would be needed to conduct search and establish a new system, he accepted the Administration's explanation on the need to retain the four supernumerary directorate posts and supported the Administration's proposal. He urged the Administration to prepare the LTAB as soon as possible for scrutiny by the Legislative Council.

47. In response, LR said that he accepted Ir Dr Raymond HO's comments. Although he did not anticipate in 2004 that the work would take so long to complete, he was duty bound to resolve the issues identified. He thanked Ir Dr Raymond HO for his support for the Administration's proposal.

48. Mr CHAN Kam-lam expressed support for the Administration's proposal in principle and urged the Administration to make the best effort to complete the review and other relevant work relating to the LTO within the extension period of 36 months for the four supernumerary directorate posts.

49. Prof Patrick LAU enquired about the arrangements for conversion of the existing deeds registers and sought an explanation on why it would take 12 years before the conversion of the existing deeds registers could be completed.

50. In response, LR explained that it was agreed in 2004 that there would be deferred conversion of deeds registers of existing land. After commencement of the LTO, new land or re-granted land would come under the new system directly.

The properties developed on those lots of land would also come under the new system when sold. All existing land would remain under the Land Registration System but the LTO had provisions to prepare for the conversion of existing land on the deeds registers. With certain exceptions, there would be automatic conversion of the deeds registers at the end of the 12-year period. As regards the time required for conversion, he admitted that it was a long time. However, as a comparison, he pointed out that in the United Kingdom, similar work started in 1867 and was expected to be completed by 2015. In New South Wales, some land still remained under the old system despite introduction of a land titles system in 1863. The Administration was trying to ensure that there would be sufficient time for parties who claimed interest to raise their cases and for the Administration to clarify the relevant issues before the conversion took place. The original proposal back in the 1990s was to complete conversion in one year's time but there was grave concern that the arrangement was too sudden. Allowing a period of 12 years for conversion was within reasonable bounds.

51. As members did not have other views on the Administration's proposal, the Chairman thanked LR for the voluminous work that he had done in relation to the LTO, especially the numerous discussions with Heung Yee Kuk.

VIII Any other business

52. There being no other business, the meeting ended at 5:00 pm.

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