

立法會
Legislative Council

LC Paper No. CB(1)1244/17-18
(These minutes have been seen
by the Administration)

Ref : CB1/PL/DEV

Panel on Development

Minutes of meeting
held on Tuesday, 27 March 2018, at 2:30 pm
in Conference Room 1 of the Legislative Council Complex

Members present : Hon Tommy CHEUNG Yu-yan, GBS, JP (Chairman)
Hon Kenneth LAU Ip-keung, BBS, MH, JP (Deputy
Chairman)
Hon Abraham SHEK Lai-him, GBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon CHAN Kin-por, GBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon WU Chi-wai, MH
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting

Hon Holden CHOW Ho-ding
Hon Wilson OR Chong-shing, MH
Hon CHAN Chun-ying
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Gary FAN Kwok-wai
Hon Vincent CHENG Wing-shun, MH
Hon Tony TSE Wai-chuen, BBS

Members attending : Dr Hon Elizabeth QUAT, BBS, JP
Hon POON Siu-ping, BBS, MH

Members absent : Hon Michael TIEN Puk-sun, BBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon Tanya CHAN

Public officers attending : **Agenda item IV**

Mr Victor CHAN Fuk-yiu
Principal Assistant Secretary for Development
(Works)²

Mr Eric CHENG Yuk-man
Acting Assistant Secretary for Development
(Works Policies)¹⁴

Mr LUK Wai-hung, JP
Acting Deputy Director of Water Supplies

Mr TAM Wai-kwong
Acting Chief Engineer/Project Management
Water Supplies Department

Agenda item V

Mr Victor CHAN Fuk-yiu
Principal Assistant Secretary for Development
(Works)2

Mr Eric CHENG Yuk-man
Acting Assistant Secretary for Development
(Works Policies)14

Mr WONG Sui-kan
Assistant Director/Projects & Development
Drainage Services Department

Mr Walter LEUNG Wing-yuen
Chief Engineer/Sewerage Projects
Drainage Services Department

Agenda item VI

Mr Jacky WU Kwok-yuen
Principal Assistant Secretary for Development
(Works)5

Mr WONG Sui-kan
Assistant Director/Projects & Development
Drainage Services Department

Mr TAI Wai-man
Chief Engineer/Project Management
Drainage Services Department

Agenda item VII

Miss Joey LAM Kam-ping, JP
Deputy Secretary for Development (Works)1

Mr Dominic CHOW Wing-hang
Principal Assistant Secretary for Development
(Works)1

Miss Jenny CHAN
Assistant Secretary for Development (Policy
and Development)¹

Mr Simon LI Chi-chung
Assistant Commissioner for Labour
(Employees' Rights & Benefits)

Ms Kate TAM Wing-tsz
Senior Labour Officer (Employees' Compensation
Division) (Central Services Section 1)
Labour Department

**Attendance by
Invitation** : **Agenda item VII**

Ms LEE Oi-yen
Assistant Director – Registration Services
Construction Industry Council

Clerk in attendance : Ms Doris LO
Chief Council Secretary (1)²

Staff in attendance : Miss Rita YUNG
Senior Council Secretary (1)²

Mr Raymond CHOW
Senior Council Secretary (1)⁶

Ms Christina SHIU
Legislative Assistant (1)²

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- I Confirmation of minutes**
(LC Paper No. CB(1)718/17-18 — Minutes of meeting on
20 December 2017)

The minutes of the meeting on 20 December 2017 were confirmed.

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II Information paper(s) issued since the last meeting

(LC Paper No. CB(1)714/17-18(01) — Letter dated 13 March 2018 from Hon LAU Kwok-fan on the North East New Territories New Development Areas)

2. Members noted that the above information paper had been issued since the last meeting on 27 February 2018.

III Items for discussion at the next meeting

(LC Paper No. CB(1)721/17-18(01) — List of outstanding items for discussion

LC Paper No. CB(1)721/17-18(02) — List of follow-up actions)

3. Members agreed that the next regular meeting would be scheduled for Tuesday, 24 April 2018, from 2:30 pm to 5:00 pm to discuss the following items proposed by the Administration:

- (a) PWP Item No. 108CD — West Kowloon Drainage Improvement — inter-reservoirs transfer scheme;
- (b) PWP Item No. 357WF — Design and Construction for First Stage of Desalination Plant at Tseung Kwan O; and
- (c) Public Engagement by the Task Force on Land Supply.

(Post-meeting note: At the request of the Administration and with the concurrence of the Chairman, the discussion on item (c) has been deferred to the regular meeting scheduled for 29 May 2018. An item on "Harbourfront Enhancement" has been included for discussion at the April meeting instead.)

IV PWP Item No. 201WC — Relocation of Diamond Hill Fresh Water and Salt Water Service Reservoirs to Caverns

(LC Paper No. CB(1)721/17-18(03) — Administration's paper on PWP Item No. 201WC (Part) — Relocation of Diamond Hill fresh water and salt water service reservoirs to caverns —

Investigation study, design and associated site investigation works)

4. At the invitation of the Chairman, Principal Assistant Secretary for Development (Works)2 ("PAS/DEV(W)2") briefed members that the Administration proposed to upgrade part of 201WC, entitled "Relocation of Diamond Hill fresh water and salt water service reservoirs ("DHSRs") to caverns" ("the relocation project") to Category A at an estimated cost of \$127.5 million in money-of-the-day ("MOD") prices to carry out investigation study, design and associated site investigation works ("the proposed works") for the relocation of DHSRs to caverns. He said that the relocation project would generate social benefits from the releasing of about 4 hectares of land to help address the territorial housing needs and the local community needs. The Administration would seek funding approval from the Finance Committee to enable early commencement of the proposed works.

5. With the aid of a powerpoint presentation, Acting Deputy Director of Water Supplies ("DDWS(Atg)") then briefed members on the details of the proposed works.

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)744/17-18(01) by email on 28 March 2018.)

6. The Chairman reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council ("LegCo"), they should disclose the nature of any direct or indirect pecuniary interests relating to the item under discussion at the meeting before they spoke on the item.

Scope of the proposed works

7. Mr CHAN Chun-ying and Mr Tony TSE expressed support for the proposed works. They enquired about the details of the two options of vehicular access tunnel portal location, and whether the future vehicular access was intended for public use.

8. DDWS(Atg) responded that under Vehicular Access Option 1, the portal of the access tunnel would be located near the entrance of the Lion Rock Park, whereas under Vehicular Access Option 2, the portal would be located next to the existing restricted access road to the existing Ma

Chai Hang fresh water service reservoir. Proposed improvement to the existing restricted access road would also be included under Option 2. Addressing the local community's concerns with the portal location, the proposed investigation study would include a review/further exploration on these two Options. The future vehicular access to the proposed caverns would be restricted for use by the Water Supplies Department ("WSD").

9. Mr WU Chi-wai stated that members belonging to the Democratic Party supported the proposed works. He said that there were strong views from the local community urging the Administration to take up the management responsibility of the private slope at Chuk Yuen North Estate, and to explore the feasibility of extending the salt water network of the relocated Diamond Hill salt water service reservoir to reach Tsui Chuk Garden. He opined it was not desirable for the Administration to have only briefly mentioned about the local community's concerns in the footnotes of the Administration's paper (LC Paper No. CB(1)721/17-18(03)). Dr Helena WONG also sought elaboration on the issue.

10. DDWS(Atg) advised that in view of the local community's concerns, the Administration would review the land lease conditions in respect of the management responsibility of the concerned private slopes, and the operation arrangement of salt water pumps in Tsui Chuk Garden.

11. The Chairman suggested including the concerns of the local community in the main text of the Administration's funding proposal to be submitted to the Public Works Subcommittee ("PWSC") for consideration. PAS/DEV(W)2 took note of the Chairman's suggestion.

12. Mr LAU Kwok-fan stated that members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong supported the proposed works. He asked about the arrangements and work of the community liaison groups set up in respect of the proposed relocation project. DDWS(Atg) responded that community liaison groups had been set up to communicate with the local residents who might be affected by the relocation project, including briefing the residents on the scope of the project and the mitigation measures to control the environmental impacts arising from the construction stage of the project in future.

Main construction works for the proposed relocation project

13. Dr KWOK Ka-ki stated that members belonging to the Civic Party supported the proposed works. Dr KWOK asked about the technical feasibility of the proposed relocation project. He and Dr Helena WONG enquired about the estimated cost for the future construction works for the relocation of the DHSRs at caverns.

14. PAS/DEV(W)2 responded that WSD had conducted a feasibility study on the relocation of DHSRs to caverns ("FSR"). The results confirmed that relocating DHSRs to caverns in the hillside to the north of Chuk Yuen North Estate was technically feasible. DDWS(Atg) advised that based on the initial rough estimation under the FSR, the estimated cost for the future construction works for the relocation project would be about \$3 billion.

15. Mr Tony TSE suggested the Administration to engage individual consultants to separately carry out the detailed design of the future construction works for the relocation project and estimate the project cost. DDWS(Atg) took note of Mr Tony TSE's suggestion, and said that the Administration would consider the suggestion of having independent estimation of the project cost for the future construction works.

Future land uses of the site to be released

16. Mr CHAN Chun-ying, Mr WU Chi-wai, Mr HO Kai-ming, Dr KWOK Ka-ki and Mr LAU Kwok-fan expressed concerns about the future land uses of the existing DHSRs site to be released. Mr CHU Hoi-dick asked whether the site would be put for sale in order to recover the future construction cost of the relocation project. PAS/DEV(W)2 advised that the future land uses of the site to be released were subject to a separate planning and engineering study to be commenced by the Civil Engineering and Development Department ("CEDD") in timely manner, and the public would be consulted.

17. Mr HO Kai-ming stated that members belonging to The Hong Kong Federation of Trade Unions supported the proposed works. Mr HO and Mr WU Chi-wai called on the Administration to formulate appropriate development and land uses scheme for the site to be released as soon as practicable, and consult the public and stakeholders as appropriate. Mr LAU Kwok-fan suggested that the Administration should gather public views about the future land uses of the site to be

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released in the public engagement ("PE") and consultation exercises of the relocation project.

18. DDWS(Atg) said that the Administration had collected public views on the future land uses of the site to be released during the previous PE exercises under the FSR. Views relating to the future land uses, if further collected by WSD in the PE and consultation exercise of the relocation project, would also be considered under the planning and engineering study for the site to be released.

19. Dr KWOK Ka-ki asked whether the site to be released would be suitable for housing developments. Mr CHU Hoi-dick asked about the estimated number of residential units that could be provided at the site. He took the view that the Administration should seek funding approval for the future construction works for the relocation project only after the rezoning application of the site to be released was approved.

20. DDWS(Atg) responded that preliminary examination on the future land uses of the site to be released revealed that the site could be used for housing developments. It was roughly estimated that about 2 500 residential units with an assumed average unit size of about 500 square feet could be developed.

Rock cavern development

21. Mr CHAN Chun-ying asked about the overall strategy for rock cavern development in Hong Kong. PAS/DEV(W)2 responded that the Administration had formulated a strategic territory-wide Cavern Master Plan ("CMP") as a planning tool to facilitate cavern development. CMP delineated 48 Strategic Cavern Areas ("SCVAs") that were suitable for cavern development in terms of geological considerations and the current planning perspectives. It aimed to make known these SCVAs and their essential information to project proponents such that they could identify suitable cavern sites for their projects.

Concluding remarks

22. The Chairman and the Deputy Chairman respectively stated that members belonging to the Liberal Party and members belonging to the Business and Professionals Alliance for Hong Kong supported the funding proposal. The Chairman concluded that the Panel had no objection to the Administration's submission of the funding proposal to PWSC for consideration.

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V PWP Item No. 399DS — Relocation of Sha Tin Sewage Treatment Works to Caverns

(LC Paper No. CB(1)721/17-18(04) — Administration's paper on PWP Item No. 399DS (Part) — Relocation of Sha Tin Sewage Treatment Works to caverns — Site preparation and access tunnel construction)

23. At the invitation of the Chairman, Principal Assistant Secretary for Development (Works)2 ("PAS/DEV(W)2") briefed members on the proposal to upgrade part of 399DS, entitled "Relocation of Sha Tin Sewage Treatment Works to caverns" ("the relocation project"), to Category A at an estimated cost of \$2,077.5 million in MOD prices to carry out the Stage 1 Works comprising site preparation works, construction of the main access tunnel and the access road, and ancillary works ("the proposed Stage 1 works") for the relocation project. He said that the relocation of the existing Sha Tin Sewage Treatment Works ("STSTW") to caverns would release about 28 hectare of land, and developing the vacated site for residential and other beneficial uses would bring about advantage to the community. After the relocation, the environment of the vacated site and its surroundings would also be greatly improved.

24. With the aid of a powerpoint presentation, Assistant Director/Projects & Development, Drainage Services Department ("AD/DSD(P&D)"), then briefed members on the details of the proposed Stage 1 works.

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)744/17-18(02) by email on 28 March 2018.)

25. The Chairman reminded members that in accordance with Rule 83A of RoP of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the item under discussion at the meeting before they spoke on the item.

Implementation plan of the relocation project

26. Dr Helena WONG mentioned that the Task Force on Land Supply was conducting a five-month public engagement ("PE") exercise to gauge

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public views on various land supply options, which included the option of developing caverns and underground space. She asked about the justification for commencing the proposed Stage 1 works while the PE exercise was not yet concluded, and the service life of the existing STSTW.

27. AD/DSD(P&D) advised that the existing STSTW was commissioned in 1982. The service life of sewage treatment works would normally be around 50 years. The Administration considered it an opportune time to commence the relocation project.

28. Mr LEUNG Che-cheung expressed support for the proposed Stage 1 works, and asked about the implementation plan of the remaining stages of the relocation project. PAS/DEV(W)2 advised that tentatively, the relocation project would be implemented in 5 stages, namely (i) site preparation and access tunnel construction; (ii) main caverns construction; (iii) sewage treatment facilities installation; (iv) modification and construction of upstream sewerage and pumping stations; and (v) decommission and demolition of existing STSTW. The construction period of the whole relocation project was expected to span over more than 10 years. In view of the long construction period, the Administration considered it appropriate to take forward the project by stages to facilitate project management with more reliable project cost estimates and cost control for individual stages. The Administration would seek funding applications for the later stages in due course.

Environmental implications

29. Mr Andrew WAN and Mr LAU Kwok-fan respectively stated that members belonging to the Democratic Party and members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong supported the proposed Stage 1 works. Mr WAN, Mr LAU and Dr Elizabeth QUAT expressed concerns about the odour impact of the proposed relocated STSTW on the surrounding communities, in particular on the residents of the Chevalier Garden.

30. AD/DSD(P&D) responded that cavern, as a natural barrier, could fully enclose the sewage treatment works. At the same time, negative pressure would be maintained inside cavern to avoid leakage of odour from the tunnels. Odour emission sources would be pre-treated by deodourizing units before discharging through a proposed ventilation shaft located at a remote place in Nui Po Shan which was far away from the residential area. At the request of Dr Elizabeth QUAT,

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the Administration would provide supplementary information on the mitigating measures for minimizing the odour impact of the proposed relocated STSTW on the nearby communities.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)987/17-18(01) on 21 May 2018.)

31. Mr Andrew WAN asked about the disposal of sludge produced from the sewage treatment process. AD/DSD(P&D) responded that the sludge would be put in sealed containers and transported to the Sludge Treatment Facility (T · PARK) in Tuen Mun.

32. The Deputy Chairman stated that members belonging to the Business and Professionals Alliance for Hong Kong supported the proposed Stage 1 works. He asked about the noise mitigation and dust control measures of the proposed Stage 1 works. PAS/DEV(W)2 advised that the Administration would implement the environmental mitigation measures and environmental monitoring and audit programme recommended in the approved Environmental Impact Assessment Report. For short-term environmental impacts during construction of the proposed Stage 1 works, the recommended mitigation measures mainly included adoption of quiet powered mechanical equipment and temporary noise barriers to minimize construction noise impact, regular water spraying for dust control, etc.

33. The Chairman stated that members belonging to the Liberal Party supported the proposed Stage 1 works. He and the Deputy Chairman asked about the disposal of the excavated rock associated with the proposed Stage 1 works. PAS/DEV(W)2 responded that the Administration would request the contractor to reuse inert construction waste (e.g. demolished concrete and excavated soil and rock) on site or in other suitable construction sites (e.g. reclamation sites) as far as possible, in order to minimize the disposal of inert construction waste to public fill reception facilities.

Traffic implications

34. The Deputy Chairman expressed concern about the impact of the proposed Stage 1 works on the hiking trails in Nui Po Shan. PAS/DEV(W)2 responded that the hiking trails in Nui Po Shan would not be affected by the proposed Stage 1 works and would remain open for public use.

35. Dr Elizabeth QUAT and Mr Alvin YEUNG expressed concerns about the traffic impact on the nearby traffic networks, especially A Kung Kok Street, during the construction and operation phases of the proposed relocated STSTW. The Chairman and Mr LAU Kwok-fan called on the Administration to improve the road network near the existing STSTW to alleviate the traffic congestion problem thereat.

36. AD/DSD(P&D) responded that as A Kung Kok Street was the key access for number of buses and mini-buses routes going to and from Ma On Shan, the Administration would implement mitigation measures in order not to affect the traffic on A Kung Kok Street by the construction vehicles during construction phase. Construction vehicles carrying rock spoils would be confined to use the temporary ingress/egress at Ma On Shan Road and the temporary haul roads within the works area for travelling to and from the construction site, thereby reducing the usage of A Kung Kok Street. The Administration undertook to provide supplementary information on the mitigating measures for minimizing the traffic impact on the nearby communities during both construction and operation phases of the proposed relocation project.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)987/17-18(01) on 21 May 2018.)

Future land uses of the vacated site

37. Mr Andrew WAN, Dr Elizabeth QUAT and Mr LEUNG Che-cheung expressed concerns about the future land uses of the existing STSTW site to be vacated. Mr CHU Hoi-dick and Dr Helena WONG asked about the total estimated costs for the relocation project. Mr CHU asked whether the vacated site would be put for sale in order to recover the costs of the relocation project, and the estimated number of residential units that could be provided at the site.

38. PAS/DEV(W)2 advised that the future land uses of the existing STSTW site to be vacated were subject to a separate planning and engineering study, in which appropriate development and land uses schemes would be formulated. AD/DSD(P&D) responded that the preliminary total estimated costs for the relocation project would be about \$40 to \$50 billion in MOD prices. Preliminary examination revealed that the vacated site could be used for housing developments. It was

roughly estimated that about 10 000 residential units with an assumed average unit size of about 500 square feet could be developed.

39. Dr Elizabeth QUAT requested the Administration to respond in writing whether it would conduct public consultation on the future land uses of the existing STSTW site to be vacated.

(Post-meeting note: The Administration's written response was circulated to members vide LC Paper No. CB(1)987/17-18(01) on 21 May 2018.)

40. Mr CHU Hoi-dick said that he did not support the proposed Stage 1 works. Mr CHU, Mr Gary FAN, Dr Elizabeth QUAT and Mr Alvin YEUNG noted with concern that residents of the Shatin district had strong views against the potential reclamation at Ma Liu Shui ("MLS reclamation"). They questioned whether the Administration would comprehensively plan and develop the vacated STSTW site and the MLS reclamation site together as one package, and urged the Administration to conduct public consultation on the potential MLS reclamation.

41. PAS/DEV(W)2 responded that the proposed relocation and the MLS reclamation were two separate projects independent of each other. Whether and to what extent the potential MLS Reclamation would eventually be implemented were still under review. He undertook to provide a written response to members' questions and concerns.

(Post-meeting note: The Administration's written response was circulated to members vide LC Paper No. CB(1)987/17-18(01) on 21 May 2018.)

VI PWP Item No. 172CD — Rehabilitation of Underground Stormwater Drains

(LC Paper No. CB(1)721/17-18(05) — Administration's paper on PWP Item No. 172CD (Part) — Rehabilitation of underground stormwater drains)

42. With the aid of a powerpoint presentation, Principal Assistant Secretary (Works)5, Development Bureau ("PAS(W)5/DEVB"), briefed members on the funding proposal for upgrading part of PWP Item No. 172CD "Rehabilitation of underground stormwater drains" to Category

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A, at an estimated cost of \$122.8 million in MOD prices, for the rehabilitation of some existing underground stormwater drains throughout the territory, i.e. stage 1 works for the territory-wide replacement and rehabilitation ("R&R") programme.

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)744/17-18(03) by email on 28 March 2018.)

43. The Chairman reminded members that in accordance with Rule 83A of RoP of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects.

Implementation of the replacement and rehabilitation programme of underground stormwater drains

44. Noting the Administration's plan to commence the proposed stage 1 works in the fourth quarter of 2018, the Chairman doubted if the planned timetable was realistic given the backlog of funding proposals for public works pending approval by the Finance Committee. That said, the Chairman indicated that members belonging to the Liberal Party supported the proposed works. He suggested that the Administration should provide an overview of the implementation schedule of and the cost estimates for the entire R&R programme of underground stormwater drains under PWP Item No. 172CD.

45. Dr CHENG Chung-tai similarly expressed concern that the stage 1 works might not commence as scheduled. He indicated support for the works and hoped that the works could commence as soon as possible.

46. Mr Tony TSE also expressed support for the proposed works. He asked about the implementation timetable of the R&R programme and whether it would involve the replacement and rehabilitation of the whole 2 400-kilometre ("km") underground stormwater drains in Hong Kong.

47. The Deputy Chairman said that members belonging to the Business and Professionals Alliance for Hong Kong supported the proposal.

48. Mr LEUNG Che-cheung stated that members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong supported the proposed works. Mr LEUNG noted that the entire R&R

programme comprised the condition survey of about 168 km of drains and rehabilitation of about 41 km of drains, while the stage 1 works would include the condition survey of about 35 km of drains and rehabilitation of about 11 km of drains. As it would take about four years (from the fourth quarter of 2018 to the fourth quarter of 2022) to complete the stage 1 works, Mr LEUNG expressed concern on how long it would take to complete the entire R&R programme. He also asked if those drains in poor conditions would be replaced earlier.

49. Assistant Director/Projects & Development, Drainage Services Department ("AD(P&D)/DSD"), advised that routine inspection of the conditions of underground stormwater drains had been conducted to identify defective drains for carrying out repair works. Since many of these drains had been in service over decades, a consultancy study adopting a risk-based approach was conducted to assess the risks of failure of these drains. The R&R programme was formulated based on the findings of the study, with priority accorded to those pipelines with high risks of structural failure and hence higher R&R needs. To timely identify and rehabilitate such pipelines, the Administration would take forward the R&R programme in stages. Stage 1 works would include those pipelines with detailed design and public consultation exercise completed. Funding for the remaining stages would be sought in due course after completion of the detailed design of the pipelines concerned.

50. Dr Junius HO indicated support for the proposed works. On the estimated cost of the stage 1 works at \$122.8 million, he asked why the cost was much lower than that (over \$800 million) for another pipe rehabilitation item which was recently discussed in the Panel on Environmental Affairs. He noted that the proposed stage 1 works included the rehabilitation of about 11 km of stormwater drains, whereas that other item only involved pipe rehabilitation work of some 2 km in length.

51. PAS(W)5/DEVB and AD(P&D)/DSD replied that the construction works of the other item involving sewer rehabilitation were generally more complicated and expensive comparing with the rehabilitation of stormwater drains under the proposed stage 1 works which were of smaller sizes. Those stormwater drains were only in use during rainy days but sewers were operated around the clock also added complexity in carrying out the construction works for the sewers. Further, the need to carry out road excavation would result in higher construction cost comparing with the trenchless method being used for rehabilitating the stormwater drains under the proposed stage 1 works.

52. Dr Helena WONG asked whether the stormwater collected by the stormwater drains to be rehabilitated under the proposed stage 1 works would be discharged to the sea or be recycled for toilet flushing and other non-potable uses.

53. AD(P&D)/DSD explained that while most of the stormwater collected would be discharged to the sea, the Administration had developed stormwater storage schemes at some appropriate locations (e.g. the Happy Valley Underground Stormwater Storage Scheme) to collect underground stormwater for non-potable uses. However, as the stormwater drains under the proposed works scattered across the territory, the Administration had no plan to develop a specific stormwater storage scheme for the drains concerned.

Technologies adopted for the proposed works

54. Dr Helena WONG asked about the type of materials to be used for the internal lining to be installed inside the drainage pipes, and whether the aged drainage pipes with the new lining installed could withstand the external pressure. Mr Tony TSE was concerned if the installation of internal lining inside the drainage pipes would make the pipes smaller in diameter and reduce the stormwater flow rate, thus increasing the risk of flooding. Mr TSE also suggested that Drainage Services Department ("DSD") should make use of the latest technology to investigate if there were any foul water pipes misconnected to the stormwater drainage system ("foul water pipe misconnection") when carrying out the proposed works.

55. AD(P&D)/DSD explained that prior to the installation of internal lining, the drainage pipes would be cleaned and a recorded video inspection would follow. Should any foul water pipe misconnection be found during inspection, DSD would refer the case to the relevant government departments for follow-up. A resin based liner would then be inserted into the drainage pipes and inflated against the wall of the pipes. Finally, the liner would be hardened through application of hot water, steam or ultraviolet light. With the hardened internal lining, the drainage pipes could better withstand the pressure exerted on it. Moreover, as the internal lining was slightly over 10 millimetres thick, it would have little impact on the stormwater flow rate in the drainage pipes.

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56. Dr Helena WONG requested the Administration to provide information on whether DSD had made use of the technologies adopted for the Water Intelligent Network (i.e. a system to monitor the performance of water distribution network by utilizing advanced technologies) to monitor the conditions of the underground stormwater drains. She also indicated that she would only decide whether to support the proposed works after the Administration had provided the requested information.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)934/17-18(01) on 9 May 2018.)

Other drainage improvement works

57. Dr CHENG Chung-tai doubted the feasibility of the Administration's another proposed project to revitalize the midstream section of Tuen Mun River Channel, a nullah long suffered from pollution, into a place for water sports activities. He also enquired if this project would help resolve the problem of foul water pipe misconnection in the coastal areas of Tsuen Wan and the flooding problem in Tsuen Wan Centre. Similarly, Dr Helena WONG urged the Administration to tackle the odour problem arising from foul water pipe misconnection in Hung Hom and To Kwa Wan harbourfront areas.

58. AD(P&D)/DSD advised that the proposed revitalization works on Tuen Mun River Channel was not within the scope of the R&R programme. With regard to the odour problem arising from foul water pipe misconnection, he advised that DSD had launched another project in Tsuen Wan earlier this year to construct dry weather flow interceptors, the devices that intercepted and diverted polluted dry weather flow from stormwater drains into the sewerage system during non-rainy days for treatment. DSD had also collaborated with the Environmental Protection Department to inspect the misconnection cases.

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VII Amendment of Levy Thresholds under the Construction Industry Council Ordinance (Cap. 587), the Construction Workers Registration Ordinance (Cap. 583) and the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Cap. 360); Cessation of Provisional Registration under the Construction Workers Registration Ordinance

(LC Paper No. CB(1)721/17-18(06) — Administration's paper on amendment of levy thresholds under the Construction Industry Council Ordinance (Cap. 587), the Construction Workers Registration Ordinance (Cap. 583) and the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Cap. 360)

LC Paper No. CB(1)721/17-18(07) — Administration's paper on cessation of provisional registration under Construction Workers Registration Ordinance)

59. With the aid of a powerpoint presentation, Deputy Secretary for Development (Works)1 ("DS/DEV(W)1") briefed members on (a) the proposed amendment of the levy thresholds under the Construction Industry Council Ordinance (Cap. 587) ("CICO"), the Construction Workers Registration Ordinance (Cap. 583) ("CWRO") and the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Cap. 360) ("PMCO") from \$1 million to \$3 million; and (b) the proposed cessation of provisional registration for skilled workers (provisional) and semi-skilled workers (provisional) under CWRO with effect from 1 July 2019.

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)744/17-18(04) by email on 28 March 2018.)

Proposed amendment of levy thresholds

60. Miss Alice MAK held that while the proposed amendment of the levy threshold under PMCO might have little impact on the

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Pneumoconiosis Compensation Fund Board ("PCFB") in discharging its functions given its current healthy financial position, that of the levy threshold under CICO and CWRO might affect the work of the Construction Industry Council ("CIC"), in particular in providing training to construction workers.

61. DS/DEV(W)1 responded that the proposal would have little impact on the work of CIC and PCFB as the reduction in levy income only accounted for about 1% of their total annual levy income. Given their healthy financial positions, both CIC and PCFB should be able to absorb the impact through better allocation of resources. As small-scale construction contracts would be excluded from the levy net after the proposed raise in levy threshold, small contractors would be relieved of the financial burden.

62. Referring to the 2016 Annual Report of PCFB, Dr Fernando CHEUNG noted that the expenditure of the Board on research, prevention and rehabilitation in 2016 was about \$8 million or one-fourth less than that in 2015. Moreover, some support services/subsidies, such as the once available carer's allowance for the patients with pneumoconiosis and/or mesothelioma, had been cancelled. To allow more financial resources for PCFB to maintain sufficient support to the patients concerned, Dr CHEUNG suggested lowering the proposed new levy threshold from \$3 million to say, \$2 million. Dr CHEUNG also urged PCFB to make better use of its accumulated fund of \$2,370 million in the provision of support to the patients by increasing the compensation amounts and subsidizing the patients to rent medical equipment. Mr LAU Kwok-fan made a similar request.

63. DS/DEV(W)1 replied that the levy thresholds under CICO, PMCO and CWRO had remained unchanged at \$1 million since 1985/2005. Taking into account inflation based on the Consumer Price Index and the financial positions of CIC and PCFB, the Administration considered it appropriate to increase the levy thresholds under the three ordinances to \$3 million. She added that CIC had consulted various stakeholders of the construction industry, including contractors and workers, and obtained their consensus before recommending the increases.

64. Assistant Commissioner for Labour (Employees' Rights & Benefits) ("AC for L (RB)") supplemented that PCFB valued the importance of the work on research, prevention and rehabilitation. The expenditure in the relevant areas dropped temporarily in 2016 following some service reviews of PCPB, but had already increased again in 2017.

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The Administration and PCFB had all along made efforts in strengthening support to patients with pneumoconiosis and/or mesothelioma. For instance, the coverage of the compensation scheme were extended over the years and regular reviews on the various compensation amounts under PMCO were conducted. Also, a study on expanding the existing list of medical appliances to include other types of medical appliances was underway, and expected to be completed this year. The study would include expert advice on the required specifications of the appliances, safety or precautions of using the appliances, and the accessories or equipment required, etc.

65. Mr LAU Kwok-fan enquired why the levy thresholds had not been reviewed for so many years and whether a regular review mechanism should be introduced. He also asked if the Administration would model after the Travel Industry Compensation Fund, which had suspended the collection of the fund levy after having accumulated over \$600 million, to suspend the collection of levy if the fund under CIC/PCFB reached a prescribed ceiling of, say, \$5,000 million.

66. DS/DEV(W)1 explained that CICO had adopted the then prevailing levy threshold, which had been set in 1985, when CIC was established in 2007. The same levy threshold applied to PMCO. The levy threshold under CWRO had remained unchanged since 2005. Upon completion of a review on the levy thresholds, CIC concluded that there was room for a raise. Such review would be conducted as and when necessary. There was no statutory ceiling for the funds under CIC and PCFB.

67. Mr POON Siu-ping expressed support for the proposed amendment of levy thresholds but called for a comprehensive review of the compensation amounts paid out under PMCO. He also enquired about the relevant compensation amounts paid out over the past three years and whether the patients with pneumoconiosis and/or mesothelioma would only be eligible for compensation if and only if they had gone through a medical assessment within a specified period and at a designated clinic.

68. AC for L (RB) advised that the compensation amounts paid out under PMCO to patients with pneumoconiosis and/or mesothelioma were about \$180 million in 2015, \$190 million in 2016, and \$204 million in 2017. As regards the compensation arrangements under PMCO, the patients concerned were required to undergo a medical examination to determine the degree of incapacity resulting from the pneumoconiosis or

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mesothelioma. They were then entitled to a monthly compensation in respect of such degree of incapacity. Patients could request for a further medical examination after the expiry of 21 months from the date of the last medical examination to see whether there had been any increase in the degree of his/her incapacity; and if so, the compensation amount would be adjusted upward accordingly. There would be no change to the compensation amount payable to a patient if he/she did not undergo further medical examination.

69. Ir Dr LO Wai-kwok opined that apart from assisting the patients concerned, PCFB should also carry out preventive work against pneumoconiosis and mesothelioma (e.g. promoting the use of dust control techniques) as prevention was better than cure. In assessing the effectiveness of the preventive work, Ir Dr LO asked if the number of new cases of pneumoconiosis and mesothelioma diagnosed each year had declined in recent years.

70. AC for L (RB) responded that the number of new cases of pneumoconiosis and mesothelioma diagnosed each year in the last decade (74 cases on average) was lower than that in the preceding two decades (104 cases in the decade before the last and 164 cases in the decade before that). As the latent period between exposure to asbestos and development of mesothelioma could be as long as 40 years, it would still take time to monitor the trend. On the preventive work against pneumoconiosis and mesothelioma, PCFB had, for example, rolled out a medical surveillance programme to provide free medical examination service to construction workers for an early detection of the disease. A subsidy scheme had also been launched to encourage small and medium-sized enterprises in the construction industry to purchase tools with dust control techniques. Also, various publicity programmes had been organized to raise the awareness of the public and construction workers on the prevention of the diseases.

Proposed cessation of provisional construction workers registration

71. Miss Alice MAK pointed out that as some workers carrying out household renovation works had not yet registered under CWRO, the Administration should consider further extending the expiry date for application for provisional registration beyond 1 July 2019 if necessary to maintain the livelihoods of these workers.

72. DS/DEV(W)1 replied that workers carrying out household renovation works were not required to register under CWRO, and it was

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not the intention of the Administration to require registration of these workers at this juncture. Moreover, given that the number of semi-skilled/skilled workers requiring provisional registration had substantially declined and a grace period of slightly more than 12 months would be provided in parallel with sufficient publicity, the Administration considered that the proposed cessation of provisional registration would have little impact on the construction industry and workers in active service.

73. At the request of Mr POON Siu-ping, the Administration agreed to provide the latest numbers of (a) registered semi-skilled/skilled workers with a breakdown by years of relevant skill works experience; and (b) registered semi-skilled/skilled workers (provisional) with respective breakdowns by age and trade.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)835/17-18(01) on 20 April 2018.)

VIII Any other business

74. There being no other business, the meeting ended at 4:57 pm.

Council Business Division 1
Legislative Council Secretariat
13 July 2018