

Laying of the Report The Report of the Director of Audit on the Accounts of the Government of the Hong Kong Special Administrative Region for the year ended 31 March 2017 and his Report No. 69 on the results of value for money audits were laid in the Legislative Council ("LegCo") on 22 November 2017. The Public Accounts Committee ("the Committee")'s Report (Report No. 69) was subsequently tabled on 7 February 2018, thereby meeting the requirement of Rule 72 of the Rules of Procedure of LegCo that the Report be tabled within three months of the Director of Audit's Report ("Audit Report") being laid.

2. **The Government Minute** The Government Minute in response to the Committee's Report No. 69 was laid in LegCo on 16 May 2018. A progress report on matters outstanding in the Government Minute was issued on 25 October 2018. The latest position and the Committee's further comments on these matters are set out in paragraphs 3 to 62 below.

Efforts of the Rating and Valuation Department in safeguarding revenue on rates and government rent

(Paragraphs 3 to 5 of Part 3 of P.A.C. Report No. 69)

3. Hon Steven HO Chun-yin declared that he had self-occupied premises in New Territories West.

4. The Committee was informed in the Government Minute which was laid before LegCo in May 2018 that:

General revaluations

- after the Rating and Valuation Department ("RVD") had implemented various improvement measures to ensure timely return of accurate and full rental information from ratepayers, the return rate of Form R1As had increased from 81.2% in 2016-2017 to 83.2% in 2017-2018;
- RVD had issued a new departmental instruction to its staff about the work procedures after obtaining information from the Buildings Department ("BD");

Rates exemption for rural properties

- starting from August 2016, BD had on a quarterly basis provided RVD with information on unauthorized building works found in village houses during BD's enforcement work to facilitate the detection of properties ineligible for rates exemption within designated village areas;
- RVD had worked out a programme to conduct rating assessments of all ineligible village houses within designated village areas where rateable values had been assessed for government rent purposes. RVD had completed Phase I of the programme and assessed two-thirds of the 420 non-compliant houses under Phase II. RVD targeted to complete the whole exercise by April 2019; and
- RVD had set up a special team to handle the cases of unauthorized structures on agricultural land and revoke the rates exemption of the lots concerned with priority to tenements of higher rateable values.

5. The Committee wishes to be kept informed of further development on the subject.

Fresh food wholesale markets

(Paragraphs 6 and 7 of Part 3 of P.A.C. Report No. 69)

6. The Committee was informed that:

- the Civil Engineering and Development Department had commissioned a technical study regarding potential sites for the re-provisioning of private and public fresh food wholesale markets, which commenced in June 2018 for completion in the first quarter of 2020;
- the Vegetable Marketing Organization and the Fish Marketing Organization were undergoing a review on their roles and functions, including an analysis on strengths, weaknesses, opportunities and threats;
- the Vegetable Marketing Organization would, in consultation with the Department of Justice, update the legal framework to allow the

Vegetable Marketing Organization to fulfill its responsibilities more efficiently and effectively when necessary; and

- the Agriculture, Fisheries and Conservation Department and the Fish Marketing Organization would consult the Department of Justice on the legal issue surrounding the direct import of fresh marine fish as well as the need to update the legal framework of the Marine Fish (Marketing) Ordinance (Cap. 291).

7. The Committee wishes to be kept informed of further development on the subject.

Hong Kong Academy for Performing Arts

(Paragraphs 10 and 11 of Part 3 of P.A.C. Report No. 69)

8. The Committee was informed that:

Provision of academic programmes

Admission of non-local students

- the Hong Kong Academy for Performing Arts ("HKAPA") had implemented the new tuition fee levels for non-local students starting from the 2018-2019 academic year, i.e. \$50,000 per annum for degree programmes, and \$37,500 per annum for sub-degree programmes;

Student unit cost

- the student unit cost in the 2018-2019 academic year was estimated to be \$343,198, as compared to the actual figure of \$308,000 for the 2014-2015 academic year. The increase in the unit cost for full time equivalent students was mainly attributed to the adjustment in salary of HKAPA staff, the allocation of additional resources to support the implementation of a technology-enhanced teaching and learning strategy in academic programmes, and the operating cost of the new annex of HKAPA's Wanchai Campus. Since student enrolment would have a direct impact on the student unit cost, a number of measures would be taken to target the specific pool of candidates with the required skills and aspirations to pursue an artistic career to join HKAPA;

Governance and government monitoring

- HKAPA would further enhance the content of the audited financial report to meet the reporting requirements as pointed out by Audit. The Home Affairs Bureau ("HAB") would follow up with HKAPA to ensure full compliance of the requirements. HAB was taking steps to revise the Memorandum of Administrative Arrangements, taking into account HKAPA's views, Audit's recommendations and prevailing Government subvention guidelines;

Campus improvement and expansion

Wanchai Campus expansion project

- the project was completed in end 2018; and

Planning for further campus expansion

- HAB would continue to review the space requirement of HKAPA to ensure that the requirement was based on genuine needs and for subvented programmes and their students only. HAB would consult relevant parties if necessary.

9. The Committee wishes to be kept informed of further development on the subject.

Management of water supply and demand

(Paragraphs 11 and 12 of Part 4 of P.A.C. Report No. 69)

10. The Committee was informed that:

Water supply management

Use of reclaimed water

- in regard to the supply of reclaimed water for flushing in Northeast New Territories, the Water Supplies Department ("WSD") was implementing the related infrastructure works. The construction of a service reservoir and laying of trunk water mains commenced in

April 2017. Laying of the first stage of the local distribution mains in Sheung Shui and Fanling commenced in September 2018. WSD was continuing with the design of the remaining infrastructure works, including a chlorination plant, a pumping system and the second stage of the local distribution mains in Sheung Shui and Fanling;

- a public consultation for the supply of reclaimed water ended in December 2018. The legislative amendment work would commence later on. Supply of reclaimed water for flushing was planned to commence in 2022;

Protecting existing water resources

- the funding for the construction of the Inter-Reservoirs Transfer Scheme was approved by the LegCo Finance Committee on 29 June 2018. The Drainage Services Department invited tenders in August 2018 with a view to commencing the construction works of the Inter-Reservoirs Transfer Scheme in the first quarter of 2019 for completion in the last quarter of 2022; and

Way forward

- the Administration drew up in the Policy Agenda in October 2017 the target of reducing the per capita total fresh water consumption by 10% by 2030 at the earliest, using 2016 as the base year.

11. The Committee wishes to be kept informed of further development on the subject.

Planning, construction and redevelopment of public rental housing flats

(Paragraphs 13 to 15 of Part 4 of P.A.C. Report No. 69)

12. Hon Kenneth LEUNG declared that he was a former member of the Hong Kong Housing Authority ("HKHA"); and Hon SHIU Ka-fai declared that he was currently a member of HKHA and engaged in the trading business of construction materials.

13. The Committee was informed that the estimated total public housing production of HKHA and the Hong Kong Housing Society in the five-year period from 2018-2019 to 2022-2023 would be 100 800 units according to HKHA's Public Housing Construction Programme as at September 2018. On land supply, the Administration had identified land for the construction of about 237 000 public housing units for the ten-year period from 2018-2019 to 2027-2028, assuming that all sites identified could be delivered on time for housing construction. The Administration acknowledged that there was a gap in the public housing supply target.

14. The Committee wishes to be kept informed of further development on the subject.

Recoverability of the outstanding advances to the United Nations High Commissioner for Refugees

(Paragraphs 16 to 18 of Part 4 of P.A.C. Report No. 69)

15. The Committee was informed that the Security Bureau wrote to the Hong Kong Sub-office of the United Nations High Commissioner for Refugees in August 2018 again to reiterate the Administration's stance and register the Hong Kong community's expectation of an early recovery of the outstanding advances.

16. The Committee recommends that the issue be followed up by the LegCo Panel on Security and wishes to be kept informed of the development on the Administration's recovery of the outstanding advances to the United Nations High Commissioner for Refugees.

Footbridge connections between five commercial buildings in the Central District

(Paragraphs 19 to 22 of Part 4 of P.A.C. Report No. 69)

17. Hon Abraham SHEK Lai-him declared that he had an office in one of the five concerned commercial buildings.

18. The Committee was informed that the owner of Building II indicated in February 2018 that they had obtained the agreement from the owner of Building I on the location and connection point of the proposed Footbridge A to Building I, and received comments from relevant government departments on the proposal. The Lands Department ("LandsD") and BD reminded the owner of Building II in July 2018 to make formal building plan submissions for the footbridge as soon as possible.

19. The location of the proposed Footbridge A is shown in *Appendix 5*.

20. The Committee wishes to be kept informed of further development on the subject.

Small house grants in the New Territories

(Paragraphs 23 to 27 of Part 4 of P.A.C. Report No. 69)

21. Hon Paul TSE Wai-chun declared that he was an indigenous villager of the New Territories and had exercised his small house concessionary right to build New Territories small houses.

22. The Committee was informed that the Development Bureau would keep in view the development of a current judicial review on the subject, the substantive hearing of which commenced on 3 December 2018, and consider the way forward for the review on the small house policy.

23. The Committee wishes to be kept informed of further development on the subject.

Direct land grants to private sports clubs at nil or nominal premium

(Paragraphs 28 to 31 of Part 4 of P.A.C. Report No. 69)

24. Hon Abraham SHEK Lai-him declared that he was a member of Hong Kong Country Club, Hong Kong Football Club, Hong Kong Golf Club, Hong Kong Jockey Club, Royal Hong Kong Yacht Club and Shek O Country Club; Hon Paul TSE Wai-chun declared that he was a member of Hong Kong Jockey Club, Scout

Association of Hong Kong and South China Athletic Association; and Hon Kenneth LEUNG declared that he was a member of the Ladies Recreation Club, Craigmower Cricket Club and Foreign Correspondents' Club, Hong Kong.

25. The Committee was informed that:

Review of the Private Recreational Lease ("PRL") policy

- HAB launched a six-month consultation on 20 March 2018 to solicit views from the public and stakeholders on the recommendations of the review on the PRL policy and briefed the LegCo Panel on Home Affairs on the review findings on 26 March 2018. HAB would present its final recommendations to the Executive Council for consideration;

Implementation of the "opening-up" requirement

- HAB placed two rounds of advertisements in the print media in February and August 2018 respectively to encourage eligible bodies to make use of sports facilities operated by PRL lessees;

Monitoring of compliance with lease conditions

- HAB had completed the annual inspections of PRL sites held by 24 private sports clubs for 2018. The opening up of venue facilities by the private sports clubs was found to be in compliance with the opening-up requirements and generally in line with the situation described in the corresponding quarterly reports; and

Progress of the renewals for the 16 expired PRLs

- as at November 2018, of the 16 expired PRLs, 13 had been renewed as PRLs and one had been granted a special purpose lease. For the remaining two cases, one of them had rectified the irregularities and the lease renewal document was pending execution. HAB and LandsD would review the renewal of the other PRL having regard to its progress in resolving the outstanding issues.

26. The Committee wishes to be kept informed of further development on the subject.

Management of roadside skips

(Paragraphs 32 to 35 of Part 4 of P.A.C. Report No. 69)

27. The Committee was informed in the Government Minute which was laid before LegCo in May 2018 that:

- the Administration had provided two sites, one adjacent to Tseung Kwan O Area 137 Fill Bank and one at Siu Lang Shui in Tuen Mun for use by the skips trade to store idling skips since January and December 2017 respectively. The average occupancy rates of these sites had been on the rise since their commissioning, which helped reduce the number of idling skips placed at roadside/public places;
- a dedicated term service contractor had been engaged by the Administration since February 2017 to assist enforcement departments in speeding up the removal of skips found to be posing serious obstruction to traffic and/or imminent danger to the public;
- a total of 31 joint enforcement operations were conducted by the Joint Working Group on Management of Roadside Skips ("JWG") during the period from February to November 2017 to tackle the malpractice of indiscriminate placement of idling skips, covering the black spots in Tseung Kwan O, Sai Kung, Kowloon Bay and Kai Tak areas. The extent of indiscriminate placement of idling skips at these black spots had been noticeably improved. JWG would continue to organize joint enforcement operations as necessary in various districts in order to deter the malpractice of indiscriminate placement of idling skips at roadside;
- JWG was engaging a consultant to work with the skip operators trade in developing a trade-led voluntary skips registration system, under which skip specifications would be standardized and adoption of good operational practices and safety measures would be promoted, thereby enhancing the standards of skip operations; and

- taking into account the progress of the work proposed, JWG would consider whether there was a need to introduce a new regulatory system in the long run.

28. The Committee wrote to Secretary for the Environment on 4 January 2019 to enquire about the latest progress on the removal of roadside skips, the implementation timetable of measures to facilitate skip operations, the latest position of assigning a government department to take up the responsibilities for regulating and facilitating skip operation and the timetable for taking forward a review to introduce a regulatory system on skips operations. The replies from **Director of Environmental Protection** are in *Appendix 6*.

29. The Committee wishes to be kept informed of further development on the subject.

Provision of long-term care services for the elderly
(*Paragraphs 36 to 38 of Part 4 of P.A.C. Report No. 69*)

30. The Committee was informed that:

Increasing service places for the elderly and strengthening premises planning

- the Social Welfare Department ("SWD") had earmarked sites in a number of development projects for the construction of elderly services facilities. The Administration would incorporate land sale conditions in suitable land sale sites, requiring private developers to construct elderly services facilities specified by the Administration with the construction cost to be met by the Lotteries Fund. SWD would take over the facilities and select a suitable operator upon completion of the construction works. As at end June 2018, SWD had earmarked sites in 30 development projects for the construction of new contract homes and day care centres/units for the elderly. It was estimated that about 3 300 residential care places for the elderly (including subsidized and non-subsidized places) and about 1 010 day care places for the elderly would be progressively provided starting from 2018-2019;

- if all the projects under the Special Scheme on Privately Owned Sites for Welfare Uses could be implemented smoothly, according to applicant organizations' estimation, about 9 000 additional service places for the elderly would be provided, including about 7 000 residential care places and about 2 000 day care places for the elderly;
- the Administration was also increasing the service supply through a number of other measures, which included making better use of space in subvented homes, converting non-subsidized places in existing contract homes to subsidized places, purchasing places from quality private homes, and the Pilot Scheme on Residential Care Service Voucher for the Elderly, etc;
- to follow up on the recommendations of the Elderly Services Programme Plan, the Administration planned to reinstate the population-based planning ratios for elderly facilities in the Hong Kong Planning Standards and Guidelines to allow better forward planning of the relevant department(s) in reserving sites and premises. Discussion among the relevant bureaux and departments had commenced, including the drawing up of specific amendments to the Hong Kong Planning Standards and Guidelines. After the Hong Kong Planning Standards and Guidelines had been amended, the Administration would review and update the relevant planning ratios at suitable junctures to ensure that the planning of facilities could meet the service demand;

Progress of implementation of new initiatives in 2017 Policy Address and 2018-2019 Budget

- SWD would provide an additional 1 000 vouchers (bringing the total to 6 000) under the Second Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly. The additional vouchers had been issued from October 2018 onwards with a validity period of two years. At the same time, the completion date of the Second Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly would be extended from the original date of July 2019 to September 2020 such that both the existing 5 000 vouchers and the additional 1 000 vouchers could be used until September 2020;

- the Administration planned to regularize the Dementia Community Support Scheme and expand it to all 41 district elderly community centres from February 2019 onwards. SWD had allocated more resources to service units providing community care and support services for the elderly from October 2018 onwards to enhance the provision of dementia care service and related staff training, as well as to enhance outreaching services for supporting needy carers living in the community who were looking after frail elderly persons. In addition, SWD would organize territory-wide public education activities in 2018-2019 to enhance public understanding of dementia;
- on manpower planning, SWD had granted additional resources to non-governmental organizations receiving subventions from SWD for subsidized elderly service units to enable them to increase the salaries of personal care workers and home helpers (i.e. the salaries of these posts would be increased by two pay points in the current calculation of the subsidy for salaries), thereby recruiting and retaining staff more effectively. SWD also launched a new \$1 billion Innovation and Technology Fund for Application in Elderly and Rehabilitation Care in December 2018 to subsidize eligible elderly and rehabilitation service units to try out and procure/rent technology products;
- SWD had provided visiting medical practitioner services for residents of all residential care homes for the elderly ("RCHEs") in the territory since October 2018. SWD would progressively provide speech therapy services for elderly service units to assist elderly persons with swallowing difficulties or speech impairment. In addition, SWD was reviewing the Residential Care Homes (Elderly Persons) Ordinance (Cap. 459) and the related code of practice, as well as preparing to launch the following new measures to enhance the service quality of RCHEs:
 - (a) planning to launch by phases starting from the first quarter of 2019 a five-year scheme to provide full subsidies for home managers, health workers and care workers of all RCHEs in the territory to enroll in Qualifications Framework-based training courses;
 - (b) planning to launch in the first quarter of 2019 a five-year scheme to provide full subsidies for all private RCHEs to join accreditation schemes; and

- (c) launching a four-year pilot scheme in the first quarter of 2019, at the earliest, whereby district-based professional teams would be set up to provide outreach services for residents in private RCHEs, so as to support their social and rehabilitation needs;

Other measures

- the Commission on Poverty endorsed the extension of the Pilot Scheme on Living Allowance for Carers of Elderly Persons from Low Income Families for a period of two years, i.e. from October 2018 to September 2020, with three improvement measures, namely increasing the number of beneficiaries, the amount of allowance and the service fee for approved service providers. The Administration briefed the LegCo Panel on Welfare Services on the proposal on 9 July 2018; and
- SWD, in collaboration with the Department of Health and six district elderly community centres under non-governmental organizations, launched the 18-month Pilot Scheme on Training for Foreign Domestic Helpers on Elderly Care in Wan Chai, Kowloon City and Tsuen Wan Districts in March 2018.

31. The Committee wrote to Secretary for Labour and Welfare on 4 January 2019 to enquire information relating to the provision of residential care places for the elderly, the waiting time and the future supply of new places under SWD's next five-year plan. The replies from **Secretary for Labour and Welfare** are in *Appendix 7*.

32. The Committee wishes to be kept informed of further development on the subject.

Administration of the air traffic control and related services

(Paragraphs 39 to 42 of Part 4 of P.A.C. Report No. 69)

33. Hon Steven HO Chun-yin declared that he was a non-executive director of the Airport Authority Hong Kong.

34. The Committee was informed that:

- on 13 August 2018, two Flight Data Processors ("FDPs") in the new Air Traffic Management System ("ATMS") Main System experienced a momentary hitch and the Fallback System had to be activated. In September 2018, in response to the Committee's enquiry on the incident, the Civil Aviation Department ("CAD") said that:
 - (a) full information (including essential information, namely flight position, altitude information, secondary surveillance radar code, and supplementary information such as call sign and aircraft type) of the vast majority of flights in the Hong Kong Flight Information Region was continuously displayed on the radar screens throughout the incident, except for three flights for which only the three pieces of essential information, i.e. flight position, altitude information and secondary surveillance radar code, could be shown. After the technical staff on-site switched ATMS to the Fallback System in accordance with the established procedures, the processing and display of the flight data returned to normal. The occurrence lasted for six minutes;
 - (b) the Air Traffic Control Officers ("ATCOs") deferred giving clearance to departing flights momentarily for about six minutes. Arrivals and flights flying through the Hong Kong Flight Information Region were not affected. During the six minutes, ATCOs were able to keep direct voice communication with the pilots and provide air traffic control services at all times. They were also able to simultaneously obtain all flight information, including that of the three flights mentioned, that should be shown through the displays using Automatic Dependent Surveillance-Broadcast technology. Certain non-critical system functions were affected during the incident, such as the flight data exchange functions with the adjacent Flight Information Regions through automation. ATCOs continued to maintain close liaison with the adjacent Flight Information Regions through voice communication in accordance with the established procedures to ensure safe transfer of flights between Flight Information Regions;
 - (c) in the event, the technical staff restarted the Main System in accordance with the established procedures, and performed detailed inspection, followed by a four-minute data

synchronization to resume it as the Fallback System. The entire restart process lasted about one hour. In the meantime, the original Fallback System, which became the Main System after switchover, had been operating normally and remained unaffected. Apart from the Main System and the Fallback System, ATMS was also equipped with an Ultimate Fallback System. On the day of the occurrence, it was not necessary to activate the Ultimate Fallback System throughout the process;

- (d) the contractor was tasked right after the occurrence to conduct a thorough investigation and come up with a solution as soon as possible. According to the report submitted by the contractor, the cause of the occurrence was that when the system software was updating the flight route elements, an unexpected data corruption had occurred, resulting in an undefined situation where an array of elements of a flight route unexpectedly contained an invalid value. As a result, the software could not continue its processing. This triggered for safety assurance the shutdown of the primary FDP of the Main System as per multi-layer redundancy in system design. The shutdown of the primary of FDP was then followed by an automatic switchover of operation to the secondary FDP. The shutdown of the secondary FDP was triggered by the same reason. Upon CAD's request, the contractor conducted an in-depth review on the program algorithm and coding involving the flight route element comparison, and confirmed that the program algorithm and coding were in order. To prevent the operation of FDPs from being affected by corrupted data in future, the contractor had provided in mid September the software fix to CAD;
- (e) in the current system design, when ATMS first accepted the flight route elements, the system would verify the data to ensure the validity. For subsequent updates, ATMS would check the relevant updates to ensure that only valid data would be accepted, followed by the execution of flight route element comparison. CAD was carrying out the on-site testing of the software fix that had been provided by the contractor; and
- (f) CAD would continue to closely monitor the performance of ATMS, and optimize ATMS as well as overall air traffic control services to ensuring aviation safety; and

- according to CAD, after completion of the on-site testing and safety assessments, the software fix had been successfully deployed to ATMS for operational use since 24 October 2018. Briefings to ATCOs and technical staff regarding the cause and follow-up actions of the occurrence had been conducted. The procedures involving the switchover from the Main System to the Fallback System had been reviewed and refined.

35. The Committee wrote to Director-General of Civil Aviation on 7 January 2019 to enquire about further measures being implemented for preventing the recurrence of similar incidents in future; the latest position of the software fix to ATMS; circumstances under which CAD would activate the Ultimate Fallback System; and the performance of ATMS when the severe typhoon Mangkhut hit Hong Kong in September 2018 in handling rescheduled flights and whether system irregularities were detected during the period. The replies from **Director-General of Civil Aviation** are in *Appendix 8*.

36. The Committee wishes to be kept informed of further development on the subject.

Use and disposal of vacant school premises

(Paragraphs 46 to 48 of Part 4 of P.A.C. Report No. 69)

37. Hon Abraham SHEK Lai-him declared that he was the Chairman of Board of Governors of English Schools Foundation and a council member of the St. Stephen's Girls' College.

38. The Committee was informed in the Government Minute which was laid before LegCo in May 2018 that:

Allocating vacant school premises ("VSP") for educational or other uses

- as regards the two VSP on private land that had not been earmarked for any use, one of them had already had the required registration approved by the Education Bureau ("EDB") on the proposed other educational use in consultation with LandsD on the compliance with land use, and the school sponsoring body was taking active follow-up actions to put

the premises into use. EDB had approached the school sponsoring body to initiate discussion on the surrender of the remaining one VSP;

- for the three VSP located on government land that had been partially utilized for their current uses, one had been allocated for office use by three education-related organizations and renovation works was being arranged. EDB had confirmed that the remaining two were no longer required for re-allocation for school use and notified the Planning Department and other relevant departments (such as LandsD and the Housing Department) in September 2017 and February 2018 respectively in accordance with the central clearing house mechanism for consideration of suitable alternative long-term use;
- among 77 VSP under LandsD's purview which were not being used, no follow-up action was required by the Administration in terms of pursuing alternative land use for 29 cases (including 21 cases where the land lease for the private land concerned did not contain a cessation/diminution of user clause allowing the Administration to re-enter the land after cessation of school use (hence future use of the land was at the discretion of the lessees so long as the use was compliant with the lease, zoning and other regulations), one case where uses other than school use were allowed under the lease, and seven cases where alternative long term/short term uses had been approved/earmarked);
- for the remaining 48 VSP under LandsD's purview which were not being used, six VSP were on private land that had a cessation/diminution of user clause in the land lease, and 42 VSP were on government land. As at end January 2018, in respect of the six VSP on private land, LandsD was processing proposals submitted for other uses of four VSP and would continue to take appropriate actions to recover possession of the remaining two VSP. Of the 42 VSP on government land, planned uses/applications in respect of 27 VSP were being processed by LandsD, 11 VSP had been included into the list of vacant government sites available for application for short-term use on the "GeoInfo Map" website, and the remaining four VSP were not available for short-term use for the time being due to technical reasons, such as possible slope problems;

Handling cases of VSP not surrendered

- as at end April 2018, among the 41 VSP the physical possession of which had not been delivered to the Administration after cessation of school operation which warranting further action, 19 were under EDB's purview. Of the 19 VSP, 18 were being used for educational purpose (with one under temporary waiver granted by LandsD). For the remaining one VSP, the school sponsoring body completed the site surrender process in April 2018 and EDB was taking follow-up action on the earmarked school use. Regarding the remaining 22 VSP under LandsD's purview, six VSP would be further reviewed by LandsD. As at end January 2018, one VSP was reused for school purpose (hence in compliance with lease conditions). As for the remaining 15 VSP, LandsD had repossessed seven VSP and would continue to recover possession of three VSP and process the proposals submitted for other uses in respect of five VSP;
- EDB had approached the school sponsoring body to initiate discussion with regard to Case 6 of the Audit Report No. 65 and was continuing the discussion with the school sponsoring body and relevant departments about the VSP arising from reprovisioning which was on both private land and government land (the premises of which was being used as the decanting premises of a secondary school during its in-situ redevelopment till February 2019); and

Access to information about VSP available for application for short term uses

- on 28 November 2017, LandsD further uploaded information of VSP (amongst other vacant government sites) under its management and available for application by non-governmental organizations for short-term use onto the "GeoInfo Map" website and would update the list in accordance with the latest position on an on-going basis.

39. The Committee wrote to Secretary for Education on 7 January 2019 to enquire about the latest position on VSP, including details regarding the location and area of each site, whether they had been put to educational or other uses in the past 12 months and future plan for the use and disposal of existing VSP. The replies from **Secretary for Education** are in *Appendix 9*.

40. The Committee wishes to be kept informed of further development on the subject.

Operation of the Hongkong Post

(Paragraphs 49 to 51 of Part 4 of P.A.C. Report No. 69)

41. The Committee was informed that:

Management of mail processing

Control and administration of overtime work in the Hongkong Post

- as at mid November 2018, only beat surveys at Shau Kei Wan Delivery Office and Shek Wu Hui Delivery Office (renamed as North District Delivery Office) were outstanding. The North District Delivery Office was reprovisioned on 29 October 2018 and beat survey was scheduled to commence in February 2019. Reprovisioning of Shau Kei Wan Delivery Office was targeted for late December 2018 and the Hongkong Post would conduct beat survey three months after it was reprovisioned; and

Management of the Central Mail Centre and the General Post Office Building

- the proposal of reprovisioning the Hongkong Post Headquarters to a site in Kowloon Bay was endorsed by the LegCo Public Works Subcommittee at its meeting held on 22 June 2018. Funding approval was obtained from the LegCo Finance Committee on 19 October 2018.

42. The Committee wishes to be kept informed of further development on the subject.

Joint-office operation on water seepage in buildings

(Paragraphs 66 to 68 of Part 4 of P.A.C. Report No. 69)

43. The Committee was informed in the Government Minute which was laid before LegCo in May 2018 that:

Investigation and enforcement actions

- the Joint-office ("JO") formed by the Food and Environmental Hygiene Department ("FEHD") and BD had taken measures to enhance and optimize the existing Complaints Management Information System to improve its record keeping and to timely update the information kept. For example, lists of outstanding cases could be generated for better monitoring of relevant work progress;
- JO had also engaged a contractor to develop a new information system specifically for handling and recording water-seepage cases, which had been completed and put into use since 1 March 2018. The new system:
 - (a) would perform functions including case management, issuing reminders and alerts, monitoring contractors' performance and generating statistical reports for investigations at different stages;
 - (b) would periodically generate management returns to facilitate effective monitoring of investigation progress and follow-up actions of water-seepage cases, including recording the time spent on completing the cases; and
 - (c) had included functions of maintaining records of referral cases to WSD and BD and generating periodic returns for reconciliation purposes with both departments (on a quarterly basis);
- JO had reviewed and handled all cases involving missing case files. In order to track file movement and minimize the risk of file missing, a bar-code filing system had been provided in all district offices of JO since 29 September 2017;
- in view of the incomplete and inadequate maintenance of the Water-seepage Case Monitoring Databases of FEHD district offices and different methods adopted by district offices to record the nuisance notices issued, FEHD had reviewed the relevant departmental guidelines and included a function in the new system to maintain relevant information on nuisance notices issued. In addition, FEHD had reminded its frontline staff to include relevant information on water-seepage cases in the nuisance notices monitoring database;

Management information system and performance reporting

- the existing Complaints Management Information System would be used to record progress of water-seepage cases and carry out appropriate monitoring, while the new system developed in March 2018 could be used to process and record information of water-seepage cases, so that JO staff could monitor the investigations and take follow-up actions more properly and effectively; and
- investigations on simple and straightforward water-seepage cases could usually be completed within 90 working days (i.e. around 133 calendar days). After collecting sufficient data from the new system, JO would formulate pragmatic performance indicators for handling straightforward cases and publish the performance results on the websites of FEHD and BD regularly.

44. The Committee wrote to Director of Food and Environmental Hygiene and Director of Buildings on 7 January 2019 to enquire about the aforesaid performance indicators, the average as well as the range of time taken for completing water-seepage cases in 2018, the reasons for JO to take longer-than-average time to handle the cases, and whether they had considered measures to shorten the handling time of the cases. The consolidated replies from **Director of Food and Environmental Hygiene** and **Director of Buildings** are in *Appendix 10*.

45. The Committee wishes to be kept informed of further development on the subject.

Maintenance and safety-related improvements of public rental housing flats
(*Paragraphs 3 to 5 of Part 5 of P.A.C. Report No. 69*)

46. Hon Kenneth LEUNG declared that he was a former member of HKHA; and Hon SHIU Ka-fai declared that he was currently a member of HKHA and engaged in the trading business of construction materials.

47. The Committee was informed in the Government Minute which was laid before LegCo in May 2018 that:

In-flat maintenance of Public Rental Housing flats

- the Housing Department had completed the review on Responsive In-flat Maintenance Services standards and implemented new service standards to focus on service quality and operational effectiveness. It would continue to monitor the effectiveness of new service standards;

Follow-up actions on Public Rental Housing's water sampling tests for lead

- HKHA's contractors had been carrying out rectification works for water pipes inside the flats in the 11 affected Public Rental Housing estates. Overall, as at March 2018, the contractors had completed around 70% of the works inside the flats. After the works inside the flats were completed, the contractors would conduct water sampling tests in accordance with the Water Authority's requirements to ensure the safety of drinking water. Subject to satisfactory water test results and the issuance of the certification of completion by WSD, the contractors would then inform tenants that the water in their units was safe for drinking and remove their water filters, as well as withdraw the temporary water points on each floor and standpipes in stages. The temporary water supply measures would continue to be in force until the rectification works inside the flats were completed;

Management of asbestos-containing materials ("ACMs") in Public Rental Housing estates

- the new guidelines on assessing the nature of ACM damage were implemented in half-yearly condition surveys in 2017 and were well received by frontline staff;
- to alert the tenants and other stakeholders about the presence of ACM in the estates and prevent accidental disturbance to ACM, the Housing Department completed the works of fixing warning labels for asbestos grilles at staircases and lobbies and other ACM, such as in-flat balcony grilles and chimneys in April 2018; and

Replacement of laundry pole-holders

- the Housing Department had conducted a post-implementation review to evaluate the overall result. The replacement programme had been

completed with the laundry pole-holders either replaced by laundry racks or sealed as agreed with the tenants.

48. The Committee wishes to be kept informed of further development on the subject.

Procurement and maintenance of government vessels

(Chapter 2 of Part 8 of P.A.C. Report No. 69)

49. The Committee was informed that:

Procurement of government vessels

- the Marine Department ("MD") would continue to explore the opportunity to outsource the project management work to external consultants so as to speed up the procurement process. A total of six project management consultancy services contracts had been awarded in the first three quarters in 2018. On manpower of the Government New Construction Section of the Government Fleet Division of MD, an additional Surveyor of Ships grade officer on post-retirement service contract terms had reported for duty since September 2018. The Government New Construction Section was in full strength to clear the vessel procurement backlogs;
- consequent to the issuance of the Government Fleet Division Circular No. 3/2018 in March 2018, MD had completed compiling the ten-year vessel procurement plans for user departments. These ten-year plans would be reviewed with user departments on a regular basis. MD had also explored with user departments to bundle similar procurement projects in a single tender so as to shorten the tender preparation time, reduce cost of tender administration and achieve economy of scale in procurement. The procurement of 44 rigid hull inflatable boats for the Leisure and Cultural Services Department and seven speed boats for the Agriculture, Fisheries and Conservation Department were examples of bundled tenders issued in the first three quarters of 2018. MD planned to conduct eight tender exercises involving 69 vessels for five departments in 2018. Invitations of tenders for four projects had already been issued as at end September 2018;

Maintenance of government vessels

- MD had completed the user survey on the calculation method of vessel availability rates. The majority of user departments did not have any comments on how MD reported the availability rates of vessels while some were supportive of expanding the coverage to all four major classes of vessels and including the time taken by the repair work carried out outside the Government Dockyard ("GD") in the calculation. Having examined user departments' comments, MD planned to report the availability rates (inclusive of repair work carried out inside and outside GD as down-time) of all four major classes of vessels in the Controlling Officer's Report ("COR") of 2019-2020. An explanatory note would be added in COR to highlight the changes in the calculation method;
- to promote competition in the procurement exercises, MD invited the Competition Commission to conduct a study to ensure that the procurement process was fair and competitive to potential bidders. The Competition Commission had proposed to MD a number of suggestions to improve the situation. MD accepted all these suggestions and would take them forward to promote competition in the procurement exercises on an on-going basis;

Management of maintenance materials

- MD had engaged a technical advisor since July 2017 to expedite the handling of slow-moving stock items (i.e. items without movement for five years). The review of over 8 400 slow-moving items was completed in July 2018, with disposal of obsolete/dormant items by means of auction or dumping, etc. in accordance with the procedures stipulated in the Stores and Procurement Regulations to be completed in phases tentatively by June 2019. The review on slow-moving items would be conducted on a regular basis and disposal of obsolete/dormant items would also be carried out accordingly;
- in March 2017, MD engaged a dangerous goods consultant to advise GD on how to better manage dangerous goods to meet both its operational needs and the requirements of the Dangerous Goods Ordinance (Cap. 295) and its subsidiary regulations, and the study was completed in August 2018. MD had incorporated the consultant's recommendations into GD safety management manual for the purpose

of improving the management of dangerous goods in GD. Separately, MD had issued safety guidelines for the handling and conveyance of dangerous goods to the maintenance contractors regularly and tightened the monitoring work by conducting daily patrols to ensure that the contractors had complied with the safety requirements. So far, no irregularity was found;

Monitoring and supervisory role of the Transport and Housing Bureau ("THB")

- THB could assess and monitor the performance of MD in various aspects with reference to certain indicators as set out in MD's COR published annually, as well as examine the issues and reasons in case a target was not met or when the performance had deteriorated. As and when necessary, THB would discuss with MD regarding the indicators and review if some of their assumptions and calculations could be revised to more accurately and better reflect the performance of MD. For instance, the calculation of the "vessel availability rate" would be adjusted so as to properly reflect the down-time of vessels starting from the 2019-2020 COR;

Measures of THB to meet challenges of the maritime industry

- as at end August 2018, 12 maritime-related training subsidy and incentive schemes were implemented under the Maritime and Aviation Training Fund, benefitting 3 600 students and maritime practitioners and involving an amount over \$50 million;
- in view of the manpower shortage problem faced by the industry, the Manpower Development Committee, upon recommendation of THB, had endorsed enhancement measures to two existing initiatives under the Maritime and Aviation Training Fund, viz. the Sea-going Training Incentive Scheme and the Ship Repair Training Incentive Scheme; and
- THB embarked on a review on the overall implementation and effectiveness of the Maritime and Aviation Training Fund in April 2018, with a view to mapping out the way forward of the Fund. Upon completion of the review, relevant results and recommendations would be reported to the Manpower Development Committee in due course.

50. The Committee wishes to be kept informed of further development on the subject.

Hospital Authority's management of public hospital projects

(Chapter 3 of Part 8 of P.A.C. Report No. 69)

51. The Committee was informed that:

Project management of the Redevelopment of Caritas Medical Centre (Phase 2)

Project planning and implementation

- the Hospital Authority ("HA") had reviewed and updated the Cost Control Guidelines for Major Capital Projects in the first quarter of 2018 to include the requirement for project consultants to submit the design efficiency for major capital projects at each works stage of the projects and to explicitly state the adopted departmental grossing factors and hospital planning efficiency ratio. HA had also incorporated additional clauses to enhance consultant's role of proposing contract strategy into all new consultancy agreements as well as requirements for these strategies to be endorsed by the Project Executive Group, Vote Controller and Project Steering Committee;
- to ensure that the assessment of extension of time claims could be completed within a reasonable time period, HA had incorporated the relevant provisions into the new consultancy agreements since the second quarter of 2018, and was drafting the standard provisions for incorporation into all its new construction works contracts by the third quarter of 2018;

Commissioning of facilities of the North Lantau Hospital ("NLTH") (Phase 1)

Commissioning of medical services

- the service utilization analysis of the medical service demand of residents at the related districts of completed hospital projects (including NLTH Phase 1) had been included in the 2019-2020 HA annual planning exercise. Moreover, HA had set up a reporting and

review mechanism for the commissioning of medical services of the completed projects in the second quarter of 2018 as standing practice at both cluster level and corporate level. The first annual summary report to the Medical Services Development Committee on the progress of commissioning the medical services against the planned capacity in completed hospital projects was made in June 2018. In addition, the progress of commissioning the medical services of the completed hospital projects would be included in the progress update of the relevant programme in Quarterly Progress Review Report to the Food and Health Bureau starting from the first quarter of 2018-2019;

Utilization of hospital building

- vacant ward cubicles at NLTH Phase 1 had been utilized for alternative use such as rehabilitation areas for in-patients and scenario-based staff training in ward setting. The updated assessment and implementation plan would be reported at the Medical Services Development Committee in October 2018;

Utilization of medical equipment

- mechanism was available for regular monitoring and reporting of the utilization of major medical equipment at cluster level. During the interim period, around 30% of the examinations provided by the radiological equipment at NLTH were serving patients referred by other hospitals in the same cluster. With the opening of an additional ward by the third quarter of 2018, utilization of major equipment would be increased and those not-in-use items at NLTH Phase 1 would be fully utilized;
- since 2018, a mechanism had been in place for regular review and monitoring of the implementation of the procurement plan for furniture and equipment in all meetings of the Project Equipment Procurement Group. The standardized Procurement Planning of furniture and equipment for commissioning hospital projects would be reported at the Supporting Services Development Committee in September 2018;

Management of minor hospital projects

Project planning

- HA had enforced in July 2018 the enhanced governance for rolling plan preparation and changes against the three-year rolling plan approved by the Chief Executive, HA. HA would also report findings from periodic building safety inspections for assessment on the conditions of hospital buildings to the Supporting Services Development Committee in the fourth quarter of 2018;

Project implementation

- HA would strengthen mechanism for monitoring the progress of minor works projects against the work plan for the delivery of committed targets for the \$13 billion one-off grant by the third quarter of 2018 through reviewing the proposal from clusters for changes to committed targets in the ten-year plan at the Quarterly Review Meeting held by HA Head Office before putting forward to HA's Directors' Meeting for endorsement;
- HA had set the target time for finalizing the accounts of minor works projects conducted by HA Term Maintenance Contractors to be not more than five months from the issuing date of Certificate of Completion for the works order. HA had also developed system to monitor the finalization of accounts by the target time;
- HA had set the target time limit of six months for finalizing accounts after works completion for HA's minor works projects executed by the Electrical and Mechanical Services Trading Fund. HA had also developed system to monitor the finalization of accounts by the target time; and

Information management and performance reporting

- HA had launched the new information system for the processing of works orders, namely Computing System of Project Planning and Execution, on 31 March 2018 for better monitoring the implementation progress of minor works projects and the related works orders. Through the new system HA would:

- (a) generate reports to facilitate progress monitoring of minor works project implementation; and
- (b) report the information on project progress including status of account finalization to the Supporting Services Development Committee in September 2018.

52. The Committee wishes to be kept informed of further development on the subject.

Regulation of non-franchised bus and school private light bus services (Chapter 4 of Part 8 of P.A.C. Report No. 69)

53. The Committee was informed that:

Administration of licensing requirements

- the Transport Department ("TD") had implemented more stringent vetting requirements for renewal applications for expired passenger service licences since May 2018;
- TD had communicated with the trade in respect of the proposal of tightening the requirements on service contracts provided for each service endorsement. The trade expressed strong reservations on the proposal as it would affect vehicle deployment and service provision. TD would continue to explore appropriate arrangement with the trade, having regard to the operational needs of non-franchised bus services while allowing flexibility in vehicle deployment, in order to minimize the impacts on service users resulting from the stringent requirement on the vehicle numbers; and

Regulatory controls over unauthorized operations

- after reviewing the situation of the erection of stop signs, the inter-departmental working group considered it necessary to provide stop signs for some residents' service, and to update the design of stop signs. TD was studying with relevant departments the use of technology in signifying the locations of the stops, and would study the issues in relation to the design, designation, costs and maintenance, etc.

of the associated stop signs and/or road markings. TD would also formulate the implementation strategy and complete the formulation of the practicable arrangements by end 2018.

54. The Committee wishes to be kept informed of further development on the subject.

Operation of the Land Registry

(Chapter 5 of Part 8 of P.A.C. Report No. 69)

55. The Committee was informed that:

Provision of services

- the Land Registry ("LR") had updated the target completion dates of the remaining two tasks of the tidying up exercise of land registers. The task of filling in information of historical transactions not shown in the land register was targeted for completion by early 2019. As at July 2018, LR had already finished checking and updating of 93% of the total 3.25 million memorial entries. In addition, the task of filling in the nature of registered documents of some historical transactions not shown in the land registers was targeted for completion by end 2019. To expedite the updating of the land registers, an enhanced computer programme was launched in October 2018;
- after review, utilization of office accommodation of the New Territories Search Offices was optimized in June 2018 and an area of 44 square metres was released for other necessary uses of the department;
- LR provided updated proposals on computerization of owners' corporation records to the Home Affairs Department in May 2018 and would continue to discuss with the Home Affairs Department on how to take the matter forward;

Implementation of Land Title Registration System

- the Administration was actively pursuing the "new land first" proposal. During LR's recent round of discussions with the key stakeholders, the

majority of them indicated general support for the proposal while one key stakeholder still reserved its position. The Land Titles Ordinance Review Committee and the Land Titles Ordinance Steering Committee were being consulted on the relevant amendment proposals. In light of their comments, LR would refine the "new land first" proposal with a view to coming up with a more concrete timetable for the preparation and introduction of the Land Titles (Amendment) Bill to LegCo for scrutiny and submitting the timetable to the Land Titles Ordinance Steering Committee;

Financial issues and performance reporting

- LR was implementing enhancements to the Integrated Registration Information System for providing the performance information of all performance targets. Amongst the 24 performance targets, the enhancements for 22 performance targets would be implemented by end 2018 and the enhancements for the remaining two performance targets would be implemented by the second quarter of 2019; and
- LR was consulting the Home Affairs Department on the proposed performance targets for the owners' corporation services, with a view to implementing the targets in 2019-2020.

56. The Committee wishes to be kept informed of further development on the subject.

Hong Kong Design Institute

(Chapter 7 of Part 8 of P.A.C. Report No. 69)

57. The Committee was informed that:

Management of programmes

Evaluation of programme performance

- the Vocational Training Council ("VTC") was exploring to formulate a mechanism to monitor programme completion rates. The related issue was discussed in VTC's Statistics Committee Meeting on 29 May 2018. VTC's Vocational Education and Training Management

Committee would further discuss the issue at its meeting in February 2019;

- as regards measures to improve the employment rate of the Hong Kong Design Institute ("HKDI") graduates with a view to meeting the target employment rate of 90%, HKDI had implemented measures such as preparing online design portfolios and/or Facebook pages to match the latest recruitment trend and assisting graduating students in job searching. Apart from the joint annual graduation show "Emerging Design Talents 2018" showcasing the fresh graduates' work to potential employers and the public, HKDI had also organized industry days or portfolio days by inviting employers of specific industries to meet graduates of respective programme areas to facilitate job seeking;
- the recently released VTC employment survey results of 2017 full-time programme graduates showed an improved average employment rate of 90% for HKDI graduates, which was on an upward trend from 84% and 86% of 2015 and 2016 respectively. The 2017 rate had met the VTC's target employment rate of 90% for full-time Higher Diploma programmes;

Performance reporting

- with regard to disclosing key performance information and statistics of HKDI and those of other member institutions, HKDI had displayed information on employment and articulation on its website, including employment rate, percentage of graduates who successfully obtained employment, and graduates who had successfully articulated to full-time degree programmes as appropriate;

Campus development and management

Design competition of HKDI

- regarding the recommendation that for competition requiring the entry designs to fulfil mandatory budget requirements, VTC should assess the cost estimates before the Jury Panel decided on the result of the competition, all staff were reminded in the Divisional Meeting of VTC held in February 2018 that the recommended procedures should be strictly adhered to in all capital works projects. VTC would draw up relevant guidelines for future design competitions;

Project development of HKDI

- VTC had set out procedures in the relevant guidelines in future projects to ensure that before adopting a development scheme, the various schemes should be thoroughly discussed and the decision to adopt a particular scheme would be well justified and approved;

Management of campus

- for measures to ensure the correctness of the utilization rates of teaching venues, VTC would enhance the central timetabling system so as to facilitate a more accurate calculation of utilization rate. The enhancement work was expected to be carried out in 2018-2019;
- as regards the long escalator which had been suspended in service, the consultant submitted interim reports in August 2017 its findings on the breakdown cases and suggested remedial measures and alternatives to the incident. After studying different options as proposed by the consultant in its final report, VTC had decided and arranged improvement and repair works so that the long escalator could resume service as soon as possible. The repair works were underway; and
- once the repair works for the long escalator were completed, VTC should submit application for renewal of the user permit for the escalator concerned. The Electrical and Mechanical Services Department would conduct audit inspection to the escalator where necessary.

58. The Committee wishes to be kept informed of further development on the subject.

Provision of government office accommodation and utilisation of government sites

(Chapter 8 of Part 8 of P.A.C. Report No. 69)

59. The Committee was informed that:

Provision of government-owned office accommodation

- the Government Property Agency ("GPA") had examined bureaux/departments' latest returns on their accommodation needs and new accommodation requirements, and had initiated the process of identifying suitable sites for the planning of new joint-user general office buildings with a view to meeting additional office accommodation needs on a long-term basis;
- the construction works for the Government Data Centre Complex in Cheung Sha Wan, and both the Inland Revenue Tower in Kai Tak and the Treasury Building in Cheung Sha Wan were planned for completion in 2021 and 2022 respectively;

Administration of leased government offices

- the Registration and Electoral Office and the Census and Statistics Department had been exploring hand-in-hand the feasibility of developing a joint-user specialist and departmental building to cater for their periodic accommodation requirements. In parallel, they were examining other possible options such as joining other specialist and departmental buildings under planning;

Utilization of government sites

- reprovisioning premises had been identified for accommodating the museum collections of the Leisure and Cultural Services Department in order to speed up the redevelopment of ex-Harbour Hydraulics Laboratory site;
- with a view to capturing more up-to-date government site information in the Government Property Information System, GPA had solicited the assistance of the Architectural Services Department in providing GPA with the relevant information of all its projects upon their completion for regular and timely updating of the site particulars by GPA. GPA

had also taken steps to enhance the system capabilities of the Government Property Information System to perform more automatic cross checking of various processes to prevent data omissions/ discrepancies during routine data updating exercises. The relevant enhancements had taken effect since July 2018; and

- the concerned traffic impact assessment under the feasibility study for the "Site Formation and Infrastructure Works for the Development at Shek Pai Street, Kwai Chung" was largely completed in mid 2018. TD was reviewing the need for the Kwai Chung Circumferential Road project with reference to the findings of the traffic impact assessment.

60. The Committee wishes to be kept informed of further development on the subject.

Occupational safety and health

(Chapter 9 of Part 8 of P.A.C. Report No. 69)

61. The Committee was informed that:

Occupational safety: inspection and enforcement

- the Labour Department ("LD") agreed that it was necessary to step up enforcement action concerning compliance with the notification requirement. LD had issued an internal enforcement guide in July 2018 to step up the law enforcement work for immediate implementation. LD had also published a leaflet "Notify Your Workplace and Construction Work" for distribution to responsible persons of workplaces during routine inspections. Explanation would also be made to the relevant legal requirements in order to enhance their awareness of the relevant legislation. Upon reviewing the effectiveness of these initiatives, LD would, where necessary, consider amending the relevant legislation with a view to enforcing the workplace notification requirement more effectively;
- LD had completed the review of the notification requirement for building and engineering construction workplaces with work that would be completed for less than six weeks or not more than ten workmen being employed and the reasonableness of the submission

deadline of notification, and was now studying the legislative amendment in detail in the direction of expanding its scope to include more construction workplaces. LD aimed to come up with a proposal to amend the relevant legislation as soon as possible;

- for the review of the list of hazardous trades, LD completed the relevant review and formulated a new list of targeted trades in May 2018. A management system was put in place to ensure that such reviews would be conducted according to schedule in future;
- LD had examined the backlog inspection cases mentioned by the Audit Commission and confirmed that all these cases belonged to the low risk category. LD completed the review on the handling of low risk cases according to the prevailing risk-based approach in May 2018, and was now clearing the backlog cases. It was expected that these backlog cases would be cleared by the second quarter of 2019;
- to improve the documentation of inspection work and strengthen the supervision work by Divisional Occupational Safety Officers, LD issued an internal guideline and devised a checklist of inspection records in July 2018 for use by the concerned officers;
- LD had completed the review on the mechanism of supervisory visits and an internal guideline regarding the number of such visits, etc. was issued for immediate implementation in April 2018;
- LD reported the proposed broad amendment directions of labour legislation to strengthen the deterrent effect at the meeting of the LegCo Panel on Manpower on 17 July 2018. The proposals included increasing the maximum fines by pegging them with the financial means of the convicted, especially for extremely serious cases (such as those causing serious injuries or fatalities and involving high culpability), thus enabling the courts to impose penalties with sufficient deterrent effect to alert the industry. LD would consult major stakeholders on the proposed amendment directions and planned to submit the Amendment Bill within the 2019-2020 legislative session;

Occupational Safety: Training

- LD planned to complete the improvement measures by phases for the remaining five types of mandatory safety training courses by mid 2021. Relevant work had commenced and was now in full swing;
- LD had finished reviewing the Factories and Industrial Undertakings (Safety Management) Regulation (Cap. 59AF). LD was inclined to revise the Regulation in order to ensure that Registered Safety Auditors were Registered Safety Officers;
- LD was refining the relevant guidance notes on applications for recognized qualifying academic courses for Registered Safety Officers to facilitate application, and planned to promulgate the notes within 2018;
- LD had devised the relevant internal guidelines on inspections on recognized academic courses for Registered Safety Officers with a view to enhancing the effectiveness and efficiency of the inspections in the third quarter of 2018; and

Occupational health

- for not charging radiation workers or their employers for periodic medical examinations carried out at the Kwun Tong Occupational Health Clinic after the workers' first employment, LD and the Department of Health were studying the relevant provisions of the regulations in detail and the legal basis for the existing practices. Advice from the Department of Justice was being sought. In addition, views of relevant stakeholders including the Radiation Board, employers and employees concerned would be taken into account before any decision was taken on legislative amendments or chargeable fees.

62. The Committee wishes to be kept informed of further development on the subject.