

LEGISLATIVE COUNCIL BRIEF

Waterworks Ordinance
(Chapter 102)

WAIVER OR REFUND OF WATER CHARGE FOR SUPPLY OF FRESH WATER FOR NON-DOMESTIC PURPOSES

INTRODUCTION

At the meeting of the Executive Council on 21 April 2020, the Council ADVISED and the Chief Executive ORDERED that the Waterworks (Amendment) (Charge Concessions) Regulation 2020, at Annex, should be made under the Waterworks Ordinance (Cap. 102) and Interpretation and General Clauses Ordinance (Cap. 1).

Annex

JUSTIFICATIONS

2. The waiver of the charge for fresh water supplied for non-domestic purposes is to support enterprises and employment in the face of unprecedented challenges in the social and economic environment in Hong Kong. The proposal will benefit about 250 000 non-domestic fresh water users.

THE REGULATION

3. The Waterworks (Amendment) (Charge Concessions) Regulation 2020 at Annex is made under section 37(1)(j) of the Waterworks Ordinance (Cap. 102) and section 29 of the Interpretation and General Clauses Ordinance (Cap. 1) to waive (and refund in some cases) 75% of the charge for fresh water supplied for non-domestic purposes for twelve months during the period from 1 December 2019 to 30 November 2020 subject to a monthly cap of \$20,000 for each meter covered by a water bill.

LEGISLATIVE TIMETABLE

4. The Regulation will be gazetted on 29 April 2020 and tabled in the Legislative Council at the next sitting after publication in the Gazette for negative vetting.

IMPLICATIONS OF THE PROPOSAL

5. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. The proposal will not affect the binding effect of existing provisions of the Waterworks Ordinance (Cap. 102) and its subsidiary legislation. It has no implications for productivity, environment, gender, family or sustainability. As for the economic implications, the proposal should help reduce the operating costs of enterprises, thereby rendering them support in the tough economic environment.

6. The estimated Government revenue forgone is \$660 million. Civil service implications, if any, will be absorbed within the existing provision of the relevant bureau/department.

PUBLIC CONSULTATION

7. The measure was announced by the Financial Secretary on 4 December 2019 and in the 2020-21 Budget Speech delivered on 26 February 2020, as well as by the Chief Executive on 8 April 2020.

PUBLICITY

8. The Regulation will be published in the Gazette on 29 April 2020 and a press release will be issued. A spokesman will be available to answer enquiries on the subject.

ENQUIRIES

9. For enquiries on this brief, please contact Mr. Thomas CHAN, Principal Assistant Secretary (Works) 3 of the Development Bureau at 3509 8277.

Development Bureau

April 2020

Waterworks (Amendment) (Charge Concessions) Regulation 2020

(Made by the Chief Executive in Council under section 37 of the Waterworks Ordinance (Cap. 102) and section 29 of the Interpretation and General Clauses Ordinance (Cap. 1))

1. Waterworks Regulations amended

The Waterworks Regulations (Cap. 102 sub. leg. A) are amended as set out in sections 2 and 3.

2. Regulation 46AB added

Before regulation 46B—

Add

“46AB. Charge concessions for fresh water supplied for several non-domestic purposes between December 2019 and November 2020

- (1) This regulation applies in relation to the charge for supply of fresh water during the concession period for use for a purpose described in item 1(a), (d), (e) or (f) of Part 3 of Schedule 1 (*fresh water charge*).
- (2) Despite regulation 46 and subject to subregulation (3), the amount of fresh water charge is reduced by 75%.
- (3) The amount that may be reduced under subregulation (2) in relation to each meter covered by a water bill must not exceed the maximum amount calculated in accordance with the following formula—

maximum amount = \$657.68 × $\frac{\text{number of days that are covered by the water bill and that fall within the concession period.}}{\text{number of days that are covered by the water bill and that fall within the concession period.}}$

(4) If—

- (a) the Water Authority issued, on a day before the commencement date of this regulation (*billing day*), a water bill that covered the concession period (or a part of it);
 - (b) the amount of fresh water charge (or a part of it) demanded in the bill has been paid (whether before, on or after the commencement date of this regulation); and
 - (c) the amount so paid is in excess of the amount of fresh water charge that should have been charged had this regulation been in force on the billing day,
- the Water Authority must refund the excess payment.

(5) In this regulation—

concession period (寬免期) means the period from 1 December 2019 to 30 November 2020 (both dates inclusive);

water bill (水費單) means a water bill issued by the Water Authority for a charge for fresh water.”

3. Schedule 1 amended

Schedule 1—

Repeal

“& 46]”

Substitute

“, 46 & 46AB]”.



Clerk to the Executive Council

COUNCIL CHAMBER

21 April 2020

Explanatory Note

This Regulation amends the Waterworks Regulations (Cap. 102 sub. leg. A) to provide for a concession on charges payable for fresh water in respect of the period from 1 December 2019 to 30 November 2020 (both dates inclusive).

2. The concession applies to the charge for fresh water supplied for construction purposes, trade purposes or several shipping purposes.