

LEGISLATIVE COUNCIL BRIEF

Waterworks Ordinance
(Chapter 102)

**REDUCTION OF WATER CHARGE FOR
FRESH WATER SUPPLIED FOR NON-DOMESTIC PURPOSES**

INTRODUCTION

At the meeting of the Executive Council on 16 March 2021, the Council ADVISED and the Chief Executive ORDERED that the Waterworks (Amendment) Regulation 2021 (“the Amendment Regulation”), at **Annex**, should be made under the Waterworks Ordinance (Cap. 102) (the Ordinance) and the Interpretation and General Clauses Ordinance (Cap. 1) (IGCO).

Annex

JUSTIFICATIONS

2. The Government has decided to extend the 75% reduction of the charge for fresh water supplied for non-domestic purposes for eight months from 1 April 2021 to 30 November 2021, subject to a monthly cap of \$20,000 for each meter covered by a water bill during the period to provide relief to the businesses concerned. The proposal will benefit about 250 000 non-domestic fresh water users.

THE AMENDMENT REGULATION

3. The Amendment Regulation at **Annex** is made under section 37(1) of the Ordinance and section 29 of the IGCO to extend the 75% reduction of the charge for fresh water supplied for non-domestic purposes for eight months from 1 April 2021 to 30 November 2021, subject to a monthly cap of \$20,000 for each meter covered by a water bill during the period.

LEGISLATIVE TIMETABLE

4. The Amendment Regulation will be gazetted on 19 March 2021 and tabled in the Legislative Council (“LegCo”) for negative vetting at the next sitting after the publication in the Gazette.

5. The proposed reduction of water charge is a continuation of an existing concession. We therefore propose that the Amendment Regulation should take effect on 1 April 2021 without waiting for the expiry of the period required for negative vetting of subsidiary legislation by the LegCo.

IMPLICATIONS OF THE PROPOSAL

6. 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 Ordinance and its subsidiary legislation. It has no productivity, environmental, gender, family or sustainability implications. As for economic implications, the proposal should help reduce the operating costs of the businesses concerned, thereby rendering them support in the difficult economic environment.

7. The estimated Government revenue forgone is \$440 million. Civil service implications, if any, will be absorbed within the existing provision of the relevant bureau / department.

PUBLIC CONSULTATION

8. The measure was announced by the Financial Secretary in his Speech for the 2021-22 Budget delivered on 24 February 2021.

PUBLICITY

9. The Amendment Regulation will be published in the Gazette on 19 March 2021 and a press release will be issued. A spokesman will be available to answer enquiries on the subject.

ENQUIRIES

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

Development Bureau
March 2021

Waterworks (Amendment) Regulation 2021

(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. Commencement

This Regulation comes into operation on 1 April 2021.

2. Waterworks Regulations amended

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

3. Regulation 46AB amended (charge concessions for fresh water supplied for several non-domestic purposes between December 2019 and March 2021)

(1) Regulation 46AB, heading—

Repeal

“March”

Substitute

“November”.

(2) Regulation 46AB(5), definition of *concession period*—

Repeal

“31 March”

Substitute

“30 November”.

Clerk to the Executive Council

COUNCIL CHAMBER

16 March 2021

Explanatory Note

Regulation 46AB of the Waterworks Regulations (Cap. 102 sub. leg. A) provides for a concession on charges for fresh water supplied for several non-domestic purposes during the period from December 2019 to March 2021.

2. This Regulation amends that regulation 46AB to extend the concession by 8 months to November 2021.