To: The Legco Panel for Environmental Affairs Special Meeting - 8th December 1998

We are the representative of The Hongkong Metal Merchant's Association - Metal Recycling Industry, to present a paper to the Legco Panel on Environmental Affairs in regards to our long history of serving Hongkong by way of reducing solid waste. Our recent operation, hardships and problems.....

Metal Recycling has been in existence in Hongkong for over 50 years, the latest statistic shown that our industry, each year, collects over 500,000 metric tons of Ferrous Metal Scrap and over 250,000 metric tons of non-Ferrous Metal Scraps, by way of RECYCLE OR REUSABLE MATERIAL PROCESSING. This mean that each year, this industry provides (free of charge) the Government of the HKSAR and Hongkong Citizens a social / environmental service absorbing (through trading) close to 1 million metric tons of city solid waste, which would otherwise required handling with tax payers' money.

Operation stages are as follows:

Collection, Classification, Processing, Packaging, Storing and finally Exporting the metal waste in the form of recycling material to metal makers in South East Asia. Thus supporting the economic system of Hongkong by way of earning a considerable amount of Foreign Currencies through international trade, and at the same time doing our share in reducing the evergrowing city solid waste in Hongkong.

Recently the Paper Recycling Industry: Their confrontation and demand ultimatum to the Authority has triggered our response. Their hardships and problems are no different from those faced by the Metal Recycling Industry and taking this opportunity, we pledge our devoted support to the movement and demands of the Paper Recycling Industry.

Existence of our Industry is a generally accepted fact and for years been faced with evergrowing problems:

- 1. Shortage / Lacking of SUITABLE USABLE LAND to operate our businesses (such as land cost, site sizes, legal structure allowance and suitable operation locations).
- 2. Shortage of LABOUR FORCE (there was almost NIL addition into the industry for years).

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3. Environmental Authority (until September 98) never make contact with our industry, not aware of our operational difficulties and ignoring our role in assisting to provide a better environment for Hongkong (we feel DIRECT CONSULTATION is absolutely essential)

REGULATIONS implemented by the Authority once passed is being executed with heavy penalties, creating endless pressure and hardship to our industry.

Having these problems from within for years and due to the recent economic crises in South East Asia, exportation of Metal Scrap no longer provide sufficient return to encourage our operators to remain in the business. Therefore Metal Recycling Industry, as a whole, is APPROACHING TOTAL COLLAPSE. If this should happen, The Government of the HKSAR and Urban Council will be faced with the direct handling of a considerate block of solid waste (1 million metric tons per year). Even if this is absorbed by the usual City Waste Land Fill operation, there exist a catastrophic environmental hazard, which we believe that the Environmental Authority can best enlighten us regarding OXIDATION of Metal Waste in Land Fill.....

These hardships we are facing should not be taking lightly and we appeal to the Legco Panel for Environmental Affairs to arrange direct discussion panels for us to present our case in detail, study and understand in depth and eventually present ways and means to support our Metal Recycling Industry.

HONGKONG METAL MERCHANTS ASSOCIATION

Lau Chi Wai, Chairman Tsang Chung Yu, Permanent Adviser