

**Speaking Points of the Secretary for Development
for the Special Finance Committee Meeting (Works Session)
on 10 April 2013 (Wednesday)**

Chairman,

- I would like to thank Members for their interest in the Draft Estimate of the Development Bureau (DEVB). The Controlling Officers under my purview have provided replies to 152 written questions raised by Members accounting for the use of resources in the works portfolio. They are here to respond to any further questions that Members may wish to raise.

- In 2013-14, the allocation for the DEVB for its recurrent expenditure on works portfolio is \$9,515.65 million, representing an increase of \$368.38 million or 4.0% as compared with the revised estimate of \$9,147.27 million for 2012-13. The additional provision is mainly for meeting the additional expenditure for purchasing Dongjiang water under the new water supply agreement (\$206.68 million), the expenditure for continually taking forward the Energizing Kowloon East initiative (\$12.72 million), and implementing other works-related initiatives.

- In 2013-14, we will create 22 civil service posts for supporting various works-related programmes and tasks.

- Now, I would like to brief Members on the priority tasks of the works portfolio in the new financial year.

The Overall Infrastructure Programme

Capital Works Expenditure

- In the past few years, the Government has been increasing the expenditure on capital works projects to boost economic development, create job opportunities and enhance Hong Kong's long-term competitiveness.
- In 2012-13, the actual capital works expenditure was \$62.4 billion. It is estimated that capital works expenditure for 2013-14 is \$70.1 billion, with 74 600 job opportunities to be provided, of which 8 600 are for professional and technical staff and 66 000 for workers. The overall number of job opportunities is 7 900 more than that of 2012-13. With the major infrastructure projects and other projects entering the construction phase in the next few years, the estimated annual expenditure on capital works is expected to exceed \$70 billion.

Progress of Major Infrastructure Projects

- Various major infrastructure projects have made good progress in the past year. Among them, the Hong Kong-Zhuhai-Macao Bridge, Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, South Island Line (East), Kai Tak Development and the Shatin to Central Link have commenced construction. Besides, funding approval will be sought from the Legislative Council (LegCo) this year for the Tuen Mun–Chek Lap Kok Link project to enable early commencement of the works.
- In the coming year, we will seek funding approval for different types of projects, including stages 3A and 4 infrastructure at north apron

area of Kai Tak Airport at an estimated expenditure of \$2.3 billion, reconstruction and rehabilitation of Kai Tak nullah from Tung Kwong Road to Prince Edward Road East at a cost of \$1.3 billion, and fresh water supply to Pak Shek Kok reclamation area, Tai Po - Stage 2 at a cost of \$160 million. In addition, the expansion of Tai Po water treatment works and ancillary raw water and fresh water transfer facilities – part 2 works at an estimated expenditure of \$6.2 billion has already commenced in January this year, while the regulation of Shenzhen River stage IV of the Liantang/Heung Yuen Wai Boundary Control Point project with an estimated value of \$600 million is also expected to commence in the third quarter of this year.

- Apart from the major infrastructure projects, the DEVB will also continue to press ahead with other works projects, including the construction of the underground stormwater storage tank in Happy Valley, the Landslip Prevention and Mitigation Programme, the cycle track network in the New Territories, Water Mains Replacement and Rehabilitation (R&R) Programme, the study on seawater desalination, as well as greening and heritage conservation.

Manpower Resources in Construction Industry

- We have been monitoring the overall manpower resources in the construction industry to keep in line with our future development. To meet the manpower demand arising from future works projects, we obtained a total of \$320 million in 2010 and 2012 to support the Construction Industry Council (CIC) in strengthening its training under various initiatives to enhance the skill levels of local workers, and attracting new entrants to the construction industry through

promotion and publicity activities.

- The Enhanced Construction Manpower Training Scheme provides training allowances for trades facing labour shortages to attract new entrants to the industry. As at January this year, more than 2 000 training places have been provided under the scheme. About 60% of the trainees were aged below 35 and many were new entrants indicating that more young people are attracted to join the industry.
- We provide subsidies for trade tests, specified training courses and skills enhancement courses to encourage and assist in-service construction workers to be registered as skilled workers. Besides, subsidies are provided for senior construction workers to assist them to advance to the frontline supervisor/management level.
- Meanwhile, the CIC will continue to provide a free online employment platform Construction JobsNet, which offers a mode of recruitment different from the traditional “by word of mouth” method and facilitates job matching between employers and job seekers.
- In recent years, we have been nurturing a “caring culture” in the construction industry. We will continue to adopt a multi-pronged approach, including the “Build Up” publicity campaign, and initiatives to enhance construction site safety and improve site cleanliness and tidiness as well as the welfare of workers. To enhance construction safety in public works projects, we will implement a series of enhancement measures including strengthening the existing merit and demerit systems in tender assessment and performance reporting for contractors, enhancing the Pay for Safety

and Environment System, and reinforcing the safety training for site supervisors. We will also introduce more welfare facilities for workers in public works projects to improve the site operating environment, such as the provision of drinking facilities, toilets, bathrooms, lockers, uniforms, shelters at work places and sheltered rest areas, and formalisation of the afternoon tea rest time arrangement. The initiatives will help send a positive message to the public, which will uplift the image of the construction industry and attract more new entrants, especially young people, to the industry.

- Apart from monitoring the safety practices of contractors, the DEVB will also focus its efforts on safety promotion work. We are launching a series of safety promotional campaigns in conjunction with the CIC, including Safety Pal, Zero Accident Ambassador Award and Innovative Safety Initiative Award. We will also organise the Construction Safety Week (CSW) in May 2013. A territory-wide “Zero Accident Declaration Ceremony” will be organized during the CSW to promote and foster the safety commitment of every level in the construction industry towards achieving “zero accident” in the site environment.

Procurement System for Public Works Projects

- While massive infrastructure development programmes bring to Hong Kong substantial economic and social benefits, we are mindful of the need to take anticipative actions to ensure the economical delivery of quality infrastructures. We are carrying out a strategic review of the existing procurement system for public works projects to enhance competitive tendering. The review aims to remove any redundant

entry barriers and attract more local and overseas contractors and consultants into our construction market, so as to enhance competition in tendering for public works projects. It also aims to encourage more innovation and creativity in the design and construction of projects and facilitate the economical delivery of quality infrastructures. In addition, procurement strategies that encourage the enhancement of productivity, including a wider use of mechanisation and prefabrication for trades with anticipated labour shortage, will be devised and integrated into the procurement system to minimise the demand for workers in those trades. The strategies will include incorporating additional contractual provisions in both consultancies and contracts to foster productivity enhancement, inviting alternative designs, as well as revising the marking schemes for tendering and performance reports.

Security of Payment

- To improve the business operating environment of the construction industry, we are carrying out work to prepare for introducing a new legislation to enhance the security of payment in construction-related contracts and to expedite the resolution of disputes. The new legislation will enhance the cash flow of the construction supply chain and attract more overseas construction enterprises to invest and carry out business in Hong Kong, thereby enhancing our infrastructure delivery capacity and increasing competition. It will also help combat wage arrears as employers improve their cash flow. We have established a Working Group on the Security of Payment Legislation for the Construction Industry with representatives from the industry to advise on the proposed content of the new legislation.

Promotion of Professional Services

- When negotiating trade agreements with the Mainland and other countries, we have been pursuing the most preferential trade conditions for Hong Kong's service industry, including the professional services. Under the framework of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), a number of preferential measures have been sought for Hong Kong's construction industry, including the mutual recognition of qualifications between the two sides for six professional disciplines. At present, a total of 1 490 Hong Kong professionals have obtained Mainland qualifications through the mutual recognition and can register for practice in the areas concerned. Under the "early and pilot implementation" arrangements in Guangdong Province since May 2012, Hong Kong professionals who have obtained Mainland's class 1 registered architect qualification, class 1 registered structural engineer qualification or supervision engineer qualification through the mutual recognition are progressively allowed to register for practice in Guangdong Province (subject to passing the Mainland legal tests for those in the first two disciplines). At the same time, their status of registered practitioners will be recognised as enterprise qualifications for setting up enterprises in Guangdong Province. Currently, over 500 professionals (224 class 1 registered architects, 50 class 1 registered structural engineers and 228 building surveyors) can apply to set up enterprises in Guangdong Province. These preferential measures will greatly facilitate local professionals and enterprises in the construction industry to set up business in the Mainland with sole ownership and complete control.

- In the coming year, we will strengthen our liaison with the Mainland authorities and endeavour to seek more market liberalisation measures for Hong Kong's construction industry under the framework of CEPA, including expanding the scope of mutual recognition of qualifications to cover more professionals, allowing them to register for practice in Guangdong Province and recognising their registration status as enterprise qualifications for setting up enterprises there. We will also pursue the extension of the pilot schemes to other provinces of the Mainland early. Separately, we will assist in liaising with the Mainland authorities to facilitate the establishment of a more substantive presence of the professional discipline in strategic locations of the Mainland to better support the professionals working there.
- We organised a cross-sectoral brain-storming meeting for the construction industry and a series of construction expert group meetings on Qianhai development in January. After consulting the construction industry, we are currently negotiating with the Qianhai Authority on the signing of a framework cooperation agreement. Based on this, we will explore more preferential early and pilot measures allowing Hong Kong professionals with simplified procedures to register for practice and to set up enterprises in Qianhai, so as to facilitate them to directly provide professional services there.

Energizing Kowloon East

- Since its establishment in June 2012, the Energizing Kowloon East Office (EKEO) has adopted the "place-making" approach to actively

take forward the transformation of Kowloon East into another core business district. The Conceptual Master Plan 2.0 was published with focus on enhancing Connectivity, Branding, Design and Diversity (CBD2) in Kowloon East and 10 main tasks were formulated for sustainable development.

- The 10 main tasks aim at enhancing connectivity, improving environment and releasing development potential in Kowloon East. The EKEO is actively launching various initiatives with a view to creating a new walkable, sittable, stayable and playable “place” in the area.
- Kowloon East, as another core business district in Hong Kong, has the potential to supply an additional office floor area of 4 million square metres. To expedite the plan, the Government is considering relocating the existing facilities in the two action areas of Kowloon East and vacating the land for the comprehensive development of commercial and other uses. It is expected that the two action areas will be able to provide about 500 000 square metres of floor area in total.
- It is estimated that in future the office floor area available for development in Kowloon Bay and Kwun Tong will reach 2.9 million square metres. These two areas, coupled with the 1.06 million square metres of land which may be developed for office use at the Kai Tak Development, will provide an estimated 4 million square metres of new office floor area, which is equal to twice the total office area in Central.

- The Chief Executive has announced that the former runway tip in the Kai Tak Development Area can be developed into a world-class tourism and entertainment hub – Kai Tak Fantasy. It will have synergy effect with the Energizing Kowloon East initiative in facilitating the transformation of Kowloon East and promoting the long-term economic development of Hong Kong.
- The unique context of Kai Tak Fantasy calls for an integrated approach in quality planning and urban design to optimise its potential for a world-class harbour-front development. In the quest for design excellence and on the basis of the agreed land uses and development parameters, the EKEO will organise an international idea competition to generate original concepts, master planning, urban design layouts and proposals for Kai Tak Fantasy. The EKEO will consult the public on the entries for the competition and take into account the designs and concepts of the winning entries. We will carry out planning and engineering study and relevant statutory procedures before implementing the recommendations.
- The EKEO will continue to adopt the visionary place-making approach to push ahead the Energizing Kowloon East initiative. It will continue to carry out community engagement activities, urban improvement works and place-making projects, update the Conceptual Master Plan, initiate studies and provide one-stop service for the implementation of both private and public sector projects so as to speed up the transformation of Kowloon East.

Enhancing Land Supply Strategy

- The Financial Secretary has stressed in the 2013-14 Budget that the Government is determined to continue to increase land supply and create a land reserve. In addition, more resources and manpower will be allocated to expedite the supply of land and the launch of land development projects.
- We will apply for funding to carry out studies and design work in the coming five years and progressively roll out the land development projects relating to reclamation outside Victoria Harbour on an appropriate scale and the development of caverns.
- To increase land supply and build up land reserve, we will select suitable sites and press ahead with reclamation outside Victoria Harbour while endeavouring to keep the impact on the community, environment and marine ecology to a minimum. The strategy will also facilitate the disposal of public fill generated from redevelopment, infrastructure projects and building works, and the contaminated sediments from fairway dredging.
- In Stage 2 Public Engagement Exercise on Enhancing Land Supply Strategy, we have put forward five near-shore reclamation sites for land reserve and other uses. They are Lung Kwu Tan, Ma Liu Shui, Siu Ho Wan, Sunny Bay and Tsing Yi Southwest, with a total area of about 600 hectares. We believe that the central waters between Hong Kong Island and Lantau Island has potential for building artificial islands on a larger scale. Subject to the availability of an efficient transport system, these artificial islands will become new

development areas in the expansion of the urban area in the long term. The total area of the near-shore reclamation sites and artificial islands is about 2 000 to 3 000 hectares.

- As regards cavern development, we are examining the possibility of relocating suitable existing government facilities to caverns so as to release land for alternative uses and to improve the living environment in the area. The Feasibility Study on Relocation of Sha Tin Sewage Treatment Works to Caverns was launched by the Drainage Services Department in May 2012, while the Study on Long-term Strategy for Cavern Development was carried out by the Civil Engineering and Development Department in September 2012. Besides, we will also consult the public during Stage 2 Public Engagement Exercise on a pilot scheme to relocate other three facilities to caverns, namely the Diamond Hill Fresh Water and Salt Water Service Reservoirs, Sai Kung Sewage Treatment Works and Sham Tseng Sewage Treatment Works.
- We plan to seek funding approval from LegCo after Stage 2 Public Engagement Exercise for conducting detailed technical studies on the potential sites for reclamation and cavern development.
- We will further explore the potential of developing underground spaces in the urban areas. This includes studying the possibility of linking up the underground spaces of existing or planned buildings and facilities in the urban areas. Pilot sites will be identified for further study and public consultation.

- The Finance Committee of LegCo approved a funding of \$790.5 million in mid-2011 to purchase and convert an industrial building for relocating the Water Supplies Department (WSD) Mongkok office. Over the past year or so, we have strived to identify a suitable industrial building in the New Territories West for the relocation of the WSD Mongkok office. However, since no suitable option is available, we have given up the plan of purchasing an industrial building. In view of this, we have reserved a government site in Tin Shui Wai for the construction of a new building, so that the WSD Mongkok office can be relocated and the site vacated at an early date to improve the environment and traffic in the district. Our target is to complete the construction of the new building by the end of 2017 for the relocation of the WSD Mongkok office so as to implement improvement plans for the Mongkok district as soon as possible.

Building a Safe City

- The portfolios of the departments under the DEVB cover several areas of public safety. We will maintain a high degree of vigilance and enhance our efforts in the following areas.

Water Supply and Water Leakage

- The Total Water Management Strategy was promulgated in 2008. It puts emphasis on firstly containing the growth of water demand through conservation while the Government will strengthen water supply management.

- In the area of water conservation, the WSD completed the Domestic Water Consumption Survey last year and formulated the following four core water conservation measures based on the public's consumption patterns, namely:
 - (1) To set up a temporary Water Resources Education Centre, which was officially opened in March 2013;
 - (2) To launch a "Let's Save 10L Water" Campaign;
 - (3) To organise the "Save Water, Cherish the World" roving exhibition; and
 - (4) To publish water saving tips.

- We have also established a technical standard for water saving devices and have been implementing the voluntary Water Efficiency Labelling Scheme for various plumbing fixtures and appliances to inform consumers of their water consumption and water efficiency. At present, the scheme covers showers for bathing, water taps, washing machines and urinal equipment. We are carrying out studies to extend it to cover flow controllers.

- We will adopt a multi-pronged approach in handling water mains bursts and leakage, including identification of burst-prone water mains by leakage detection, and implementation of the R&R Programme as well as water pressure management. These works have yielded positive results, with the number of water mains burst incidents dropping from a peak of about 2 500 in 2000-01 to 243 in 2012-13 (up to February 2013). The WSD has completed about two-thirds of the R&R Programme since its launch in 2000 and anticipates to complete the whole programme by 2015. The WSD is

planning the way forward for the next phase of the programme after 2015.

- Furthermore, to ensure that Hong Kong can have a stable water supply to cope with the demand for fresh water and other uncertainties (such as acute climate changes and low rainfall), we commissioned a two-year planning and investigation study of desalination plant at Tseung Kwan O in December 2012. The study will ascertain the feasibility and cost effectiveness of constructing a desalination plant at Tseung Kwan O Area 137, plan and formulate implementation strategy and timetable.

Flood Prevention

- A number of flood prevention projects were completed and commenced in 2012, including the completion of the Hong Kong West Drainage Tunnel and Lai Chi Kok Drainage Tunnel in August and October 2012 respectively. In January 2012, we commenced the review studies of the Drainage Master Plans in East Kowloon and West Kowloon. We also commenced, in September 2012, the construction of the underground stormwater storage tank beneath the Happy Valley Recreation Ground in the middle of the Happy Valley Racecourse.
- We will complete the construction of the Tsuen Wan Drainage Tunnel in the second quarter of 2013 and commence the review studies of the Drainage Master Plans in Sha Tin, Sai Kung and Tai Po. Besides, we will also commence a study to assess the risk level of rivers in

rural catchment areas and develop flood warning systems for flood-prone rivers.

Slope Safety

- Under the Landslip Prevention and Mitigation Programme launched in 2010, we have systematically implemented landslide risk mitigation measures for natural hillsides which will affect urban development or important transport corridors. We have also conducted various studies and implemented necessary risk mitigation measures for 50 natural hillsides. In 2013, we plan to upgrade 150 government man-made slopes; carry out safety-screening studies on 100 private man-made slopes; and conduct studies and implement necessary risk mitigation measures for 30 natural hillsides. In addition, design and construction guidelines on risk mitigation measures for natural hillsides will be developed, so that the industry can apply the latest knowledge when carrying out design and construction works in this new area.
- Under the programme, we will carry out landscaping works alongside stabilisation works for man-made slopes and risk mitigation measures for natural hillsides. Vegetation cover will be used as far as possible to make the appearance of slopes and hillsides more natural and blend with their immediate surroundings. We will, on average, plant about 300 000 vegetations each year.

Lift Safety

- The Lifts and Escalators Ordinance (the Ordinance), enacted in April 2012, with major provisions came into full operation in December 2012, aims to enhance the safety of lifts and escalators in Hong Kong.
- The Ordinance introduces a series of enhanced regulatory measures against registered contractors. It clearly stipulates the obligations of registered contractors including their responsibility to carry out lift maintenance works properly and safely; increases the maximum fine from HK\$10,000 to HK\$200,000; introduces a registration renewal system under which registered contractors are required to renew their registration every five years; and empowers the Registrar to cancel or suspend the registration of registered contractors pursuant to the Ordinance.
- Following the incident at King's Road, North Point in early March in which all the ropes of a lift snapped, the Director of Electrical and Mechanical Services (DEMS), being the Registrar under the Ordinance, served a written notice of intention on Shineford Engineering Limited (Shineford) on 18 March, informing Shineford that the DEMS would suspend its registration as a registered lift contractor for six months. In addition, the DEMS does not rule out taking further legal action against persons found to have contravened the Ordinance.
- We welcome the decision made by the DEMS, which demonstrates not only the Government's determination and ability to regulate lift safety but also the effectiveness of the Ordinance in facilitating the

law enforcement departments to carry out regulatory work efficiently.

- The Electrical and Mechanical Services Department (EMSD) will vigorously enforce the Ordinance to further enhance the safety of more than 60 000 lifts in Hong Kong. In addition, the EMSD will review the existing monitoring mechanism, including examining whether more inspections should be conducted for lifts maintained by registered contractors with relatively low performance ratings under the “Registered Lift Contractors’ Performance Rating” mechanism.
- The EMSD will strengthen its support to the relevant responsible persons and its public education on lift safety. Initiatives include a review on the existing “Registered Lift Contractors’ Performance Rating” mechanism to facilitate lift owners or their property management companies to choose the right maintenance contractors.
- The Government will in due course set up a Lift and Escalator Safety Advisory Committee with members comprising both the representatives of the trade as well as individuals and organisations outside the trade, such as property management companies and the Consumer Council. We will solicit views from various sectors of the community to ensure public safety in the use of lifts and escalators.

Tree Safety

- The Greening and Landscape Office (GLO) and the Tree Management Office (TMO) under the Greening, Landscape and Tree Management Section are actively promoting greening with due emphasis on protection of public safety as a priority consideration.

The GLO continues to develop greening guidelines and best practices so as to enhance the quality of landscape design. The topics under study this year include the continuous development of the integrated landscape design framework; formulation of standards, guidelines and best practices related to greening, landscape planning and design; and provision of input in the greening and landscape aspect of strategic government infrastructure projects.

- The TMO has continuously updated the guidelines for tree risk assessment and management, having regard to the experience of tree risk assessment work in previous years. The newly revised guidelines were promulgated in December 2012 and a new round of tree risk assessment by the tree management departments has started. The TMO will continue to step up audit checks on the trees managed by departments to ensure that all tree management work is conducted in a professional and prudent manner in preparation for the onset of wet season to better protect public safety. We will strive to raise the professional standard of tree management, seek experts' views and enhance the care of Old and Valuable Trees. We will also continue with our efforts to foster a culture of tree care in our community and enhance people's knowledge through different channels and encourage community surveillance of trees.

Heritage Conservation

- The Government is pressing ahead with the conservation of historic buildings. We have launched a number of revitalisation projects for historic buildings under a diversified approach, which has helped not only preserve historic buildings and enhance the urban cultural

landscape, but also brought much benefit to local economy.

- Good progress has been made for the various revitalisation projects launched by our Bureau in recent years. Four of the six projects under Batch I of the Revitalising Historic Buildings Through Partnership Scheme (Revitalisation Scheme) have commenced operation, including the Former North Kowloon Magistracy, Old Tai O Police Station, Lui Seng Chun and Phase One of the Former Lai Chi Kok Hospital project, which are all well-received by the public. The remaining two projects (namely the revitalisation of Mei Ho House into a youth hostel, and the revitalisation of Fong Yuen Study Hall into a Tourism and Chinese Cultural Centre cum Ma Wan Residents Museum) and Phase Two of the Former Lai Chi Kok Hospital project will also start operation in 2013.
- As regards the three projects under Batch II of the Revitalisation Scheme, including the revitalisation of the Old Tai Po Police Station into a landmark for the promotion of sustainable living and conservation, the revitalisation of the Blue House Cluster in Wan Chai to provide diversified community services, and the revitalisation of Stone Houses at Hau Wong Temple New Village in Kowloon City into a themed cafeteria-cum-visitor information centre, renovation works for the Stone Houses project have already commenced in late 2012. Works for the remaining two projects (namely the Old Tai Po Police Station and the Blue House Cluster) will also commence in early 2013. The completion of works and commencement of operation of the revitalised sites will provide the public with an opportunity to appreciate and use the historic buildings. This will not only enhance their awareness of heritage conservation and

revitalisation but also enable them to cherish historic buildings even more in future.

- We announced the selection results for Batch III of the Revitalisation Scheme including King Yin Lei, Haw Par Mansion, Bridges Street Market and the Former Fanling Magistracy on 21 February 2013. Haw Par Mansion will be converted by the Aw Boon Haw Foundation into the Haw Par Music Farm for providing training in Chinese and Western music as well as social outreach activities for the public. The Bridges Street Market will be revitalised by the Journalism Education Foundation Hong Kong Limited into the Hong Kong News-Expo, while the Former Fanling Magistracy will be revitalised as the Hong Kong Institute of Leadership Development by the Hong Kong Federation of Youth Groups. The DEVB will take follow-up action and provide co-ordination on the three selected projects, including assisting selected organisations to complete the detailed design of their projects and pre-construction preparatory work at an early date, as well as seeking funding approval from LegCo for individual projects. As regards King Yin Lei, we have accepted the recommendation of the Advisory Committee on Revitalisation of Historic Buildings in not choosing any applicants as partners, but will invite application again in due course to identify the right partner and use for this historic building.
- The Central Police Station Compound will be revitalised as a centre for heritage, art and leisure. Revitalisation works have already commenced in late 2011 and are expected to be completed by the end of 2015.

- As for the project to transform the former Police Married Quarters on Hollywood Road into “PMQ” by the DEVB in collaboration with the Architectural Services Department and the Musketeers Foundation, funding application was approved by the Finance Committee of LegCo on 8 July 2011. Project works have already commenced in early 2012 for completion by the end of 2013. We expect that the revitalized facility will come into operation in the first quarter of 2014.
- We strive to strike a balance between the need to respect private property rights and the need to preserve our heritage. The DEVB and the Antiquities and Monuments Office will continue to proactively reach out to private owners and offer assistance (including technical advice and financial assistance for the maintenance of historic buildings as well as the offer of economic incentives for preservation-cum-development projects) to encourage and facilitate the preservation of historic buildings under their ownership.
- In addition, the Chief Executive has announced in the 2013 Policy Address that, in light of the experience gained over the past few years, we need to review the policy on the conservation of privately-owned historic buildings. This will include formulating a set of more detailed mechanism and criteria for determining the extent and means to use public resources for the conservation of privately-owned historic buildings, and studying whether there is a need to enhance conservation of such buildings in the context of town planning. We will also examine whether the setting up of a heritage trust will help in the conservation of privately-owned historic buildings and if so, the feasibility of setting up a trust in the context of Hong Kong. We

have invited the Antiquities Advisory Board (AAB) to take part in the policy review and make recommendations on the scope, detailed content and mode of the review, set the timetable and canvass the views of stakeholders and the public. We hope that the AAB will work on the consultation paper by the end of this year and carry out public consultation in conjunction with the DEVB.

Conclusion

- Chairman, my colleagues and I will be happy to answer any questions that Members may wish to raise. Thank you.
