

**Speaking Points of the Secretary for Development
for the Special Finance Committee Meeting (Works)
on 1 April 2015 (Wednesday)**

Chairman,

- I would like to thank Members for their interest in the Draft Estimate of the Development Bureau (DEVB). The heads of the works departments and I have provided replies to 132 written questions raised by Members accounting for the use of resources in the works portfolio. We are here to answer any further questions that Members may wish to raise.
- In 2015-16, the DEVB's recurrent expenditure for the works portfolio is \$10,497.39 million, representing an increase of \$450.23 million or about 4.5% as compared with the revised estimate for 2014-15. The additional provision is mainly for meeting the increased expenditure of \$360.21 million for purchasing Dongjiang water under the water supply agreement.
- In 2015-16, there will be a net increase of 50 civil service posts to provide support for various works-related initiatives, including the creation of 25 posts to replace the non-civil service contract staff.
- 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

- In the past few years, the Government has been increasing the investment on capital works projects to promote economic development, create job opportunities and enhance Hong Kong's long-term competitiveness. The projects cover various areas including housing, transportation, medical care, education, water supply and drainage.
- In 2013-14, the actual capital works expenditure reached \$70 billion. It is estimated that capital works expenditure for 2014-15 will also be close to \$70 billion. With the major infrastructure projects and other projects entering the construction phase in the next few years upon funding approval by the Legislative Council, the estimated annual expenditure on capital works is expected to remain at around \$70 billion.

Progress of Major Infrastructure Projects

- Various major infrastructure projects have made considerable progress in the past year. The projects currently underway include the Kai Tak Development (KTD), the Hong Kong-Zhuhai-Macao Bridge (HZMB), Liantang/Heung Yuen Wai Boundary Control Point, Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, South Island Line (East), Sha Tin to Central Link (SCL), Tuen Mun-Chek Lap Kok Link, the Xiqu Centre of the West

Kowloon Cultural District (WKCD), etc. In addition, preparatory works for the redevelopment of Queen Mary Hospital (phase 1) at an estimated expenditure of around \$1.6 billion also commenced last year. Recently, we have obtained funding of some \$30 billion from the Legislative Council (LegCo) to carry out five works projects related to environmental protection, namely the first phase of the Organic Waste Treatment Facilities, the Integrated Waste Management Facilities, and the extension of three landfills.

- In the coming year, we will seek funding approval from LegCo for different types of works projects, including the pre-construction works for the Multi-purpose Sports Complex at Kai Tak, the Kai Tak development – infrastructure works for developments at the southern part of the former runway, infrastructure works for the West Kowloon Cultural District, phase 1 – Construction, etc.
- Apart from the major infrastructure projects, we will continue to plan other public works projects of various scales to improve people's quality of life. The projects in progress or under planning cover various areas including medical services, slope safety, fresh water supply, sewage treatment, greening and heritage conservation. In this legislative session, it is estimated that we will have to seek funding approval of up to \$100 billion from the Finance Committee (FC) of LegCo for the new works projects.

Major Challenges in Delivering Capital Works Programme

- We anticipate that the volume of overall construction output in both the public and private sectors will maintain at a high level in the next

few years. We, therefore, have to overcome the problem of tightening construction manpower situation. Although the Government has taken a series of measures accordingly, we still need to work with various stakeholders to find solutions to the problems together.

Manpower Resources in Construction Industry

- The Government will continue to implement infrastructure projects to boost Hong Kong's long-term competitiveness, and take forward works projects that will improve people's livelihood, their quality of life and the living environment, as well as meet the economic and social development needs, including meeting the ten-year housing supply target. As the volume of overall construction output of the public and private sectors is forecast to maintain at a high level, there is a keen demand for skilled workers in the construction industry. According to the forecast by the Construction Industry Council (CIC), having taken into account the forecast construction output, training and other relevant factors, there will be a shortage of about 10 000 to 15 000 skilled workers in the construction industry in the next few years.
- The Government has been working with CIC and the industry to optimise manpower resources in the construction industry. Measures include stepping up efforts to train workers, enhancing the industry's professional image and attracting new entrants. Although CIC has trained up more than 13 000 semi-skilled workers between 2009 and end 2014, there is still an acute demand for skilled workers in the industry. To cope with the needs of economic development,

we are going to apply for a funding of \$100 million to support the CIC's new training initiatives in the next few years to upgrade the skill levels of semi-skilled workers to those of skilled workers.

- However, Hong Kong is facing the situation of dwindling overall labour force and ageing population, which leads to significant limitations in the training of local construction workers. The construction industry needs to increase the supply of skilled workers in a timely and effective manner to address the acute shortage of skilled workers.
- I am pleased to learn that some Members agree that to enhance the long-term competitiveness of Hong Kong and improve people's livelihood, we must take effective and appropriate measures to import skilled workers. As such, we need to further enhance the Supplementary Labour Scheme having regard to the unique characteristics of the construction industry. For example, allowing an imported skilled worker to work for the same contractor in more than one public sector works project so as to enhance the flexibility of deployment and maximise the productivity of skilled workers. We are liaising closely with the labour sector and the construction industry on the detailed arrangements of the relevant measures. Our goal is to launch further enhancement measures in this quarter as soon as possible.
- Furthermore, I notice the concern expressed by the labour sector about safeguarding the rights of local workers. I would like to stress that the aforementioned further enhancement measures will, as in the past, be proposed on the overriding premise of giving priority

to the employment of local skilled workers, safeguarding their income levels as well as promoting training to the construction workforce in a continuous manner. The government departments concerned will strictly enforce the measures to safeguard the rights of local and imported workers. Among them, contractors must comply with the requirements of employment contracts for the importation of workers, including remuneration packages, man-hours, benefits, etc. The public sector works departments will also review the attendance records, payment of wages, site safety training, etc. regarding the imported workers.

- In recent years, we have been nurturing a “caring culture” in the construction industry. We will continue to adopt a multi-pronged approach, including initiatives to enhance site safety and improve site cleanliness and tidiness as well as the welfare of workers. In addition, we are actively promoting workers’ health.
- We have introduced more measures in public works projects to improve the site working environment, including the provision of working shelters and sheltered rest areas, and encouraging contractors to provide afternoon rest breaks for workers.
- The DEVB and the CIC are organising the “Construction Safety Week 2015” to enhance site safety and workers’ health through a series of promotion and publicity activities. These measures will help send a positive message of the construction industry to the public, which will uplift the image of the construction industry and attract more new entrants, especially young people, to join the industry.

Procurement System for Public Works Projects

- We strive for the economical delivery of quality infrastructure. In addition to manpower resources, an effective tendering system that caters for the market is also crucial. Regarding the procurement system for public works projects, the DEVB implemented enhancement measures in end 2013 to increase the tendering opportunity for small- to medium-sized contractors, enhance competitive tendering, and explore opportunities to attract contractors and consultants from within and outside of Hong Kong to tender for local public works projects, thereby bringing in new techniques and expertise. At the same time, the DEVB has implemented a number of improvement measures for the design, tender evaluation and construction stages, as well as the performance management and assessment of consultants and contractors, so as to enhance the constructability of works, improve contractor's site safety performance, increase productivity and encourage innovation and creativity in construction projects.
- We strive to promote partnership in the implementation of works contracts, so as to enhance the management efficiency of works contracts. Since 2009, we have adopted the New Engineering Contract (NEC) form, which emphasises mutual help and mutual trust, in some public works contracts. The results are encouraging. We will have more extensive trial of the NEC form in public works. The NEC form will allocate the respective risks to the contracting party best able to manage them and provide a collaborative risk management mechanism, including early warning notification of risk:

the contracting parties shall give early warning to each other as soon as they identify risks which could increase the construction cost and/or delay contract completion; and risk reduction meeting: the contracting parties shall attend risk reduction meetings and work together to examine strategies that can reduce risks. Therefore, it can help prevent the occurrence of risks or, should risks materialise, reduce the additional cost or delay incurred. Besides, the target contract option under the NEC form provides a pain share/gain share mechanism, under which the employer and the contractor share the difference between the actual construction cost and the final target cost. The objective is to set a common goal for the contracting parties to complete the works at reduced cost and in shorter construction period.

- On the estimation of project costs, we have adopted the risk analysis approach since 1993 to estimate the amount of contingencies to deal with foreseeable situations, such as additional expenditure arising from worse-than-expected geotechnical condition, market fluctuations, etc. In 2005, the DEVB also issued a technical circular on the implementation of Systematic Risk management to enhance the assessment of risks during construction works. We have also commissioned a world-renowned scholar from the University of Oxford to carry out a baseline comparison in terms of cost estimation performance for our major road works projects with over 1 000 similar projects in over 30 countries. The findings not only demonstrate our good performance in the use of risk analysis approach to estimate cost, but also prove its effectiveness. In light of the changing social, economic and political climate, the DEVB will review and enhance the existing estimation method on a regular

basis.

Security of Payment

- In addition, we are carrying out preparatory work for the security of payment legislation for the construction industry, which aims to ensure that contractors, sub-contractors, consultants and suppliers of the construction industry can receive the payment due on time for the work and services carried out by them to improve their cashflow. In 2012, we set up a Working Group on the Security of Payment Legislation for the Construction Industry with members from the key stakeholders of the industry. The working group has discussed the framework of the proposed legislation. We will commence public consultation on the proposed legislation in the second quarter of 2015.

Promotion of Professional Services

- The DEVB attaches great importance to the promotion of professional services for the construction industry. When negotiating trade agreements with the Mainland and other countries, we have been pursuing the most preferential trade conditions for Hong Kong's professional services. Under the framework of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), a number of preferential measures have been secured 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 mutual recognition.

Among them, over 270 have registered for practice in the areas concerned. In addition, under the early pilot arrangements in Guangdong Province, Hong Kong professionals who have obtained Mainland's class 1 registered architect qualification or class 1 registered structural engineer qualification through mutual recognition are allowed to register for practice and set up business in Guangdong Province upon passing the legal tests. Under the Agreement between the Mainland and Hong Kong on Achieving Basic Liberalisation of Trade in Services in Guangdong signed on 18 December 2014, Hong Kong's construction enterprises which have successfully set up companies in Guangdong Province are allowed to contract 11 categories of construction and related engineering services, except for some services set out as "inapplicable" to the obligation of national treatment by way of a negative list. These liberalisation measures will bring considerable convenience and benefits to Hong Kong's construction enterprises.

- Furthermore, to facilitate the engagement of Hong Kong engineering consultants to undertake supervision work for the Mainland's foreign aid construction projects in foreign countries, we signed a Memorandum of Co-operation with the Ministry of Commerce on 24 April 2014. In October 2014, the Ministry of Commerce selected two building projects in Nepal and Cambodia for implementation of supervision work and invited tenders from the engineering consultants in Hong Kong. Two engineering consultants from Hong Kong were awarded tenders for the two projects respectively. We will pursue negotiations with the Ministry of Commerce to open up more similar or other projects to bring new business opportunities to our construction industry.

- In the coming year, we will strengthen our liaison with the Mainland authorities and endeavour to seek more preferential measures for Hong Kong's construction industry under the framework of CEPA.

Co-ordinating Infrastructure to Complement Land Supply

- Co-ordinating infrastructure projects to complement the increasing land supply is another important task of the Works Branch of the DEVB.
- Reclamation outside Victoria Harbour is an important source of long-term land supply. We have completed the cumulative environmental impact assessment of the western Hong Kong waters. In light of the assessment findings, we will conduct technical studies on the Lung Kwu Tan reclamation this year. In addition, we will also seek the support of LegCo for the early commencement of the planning and engineering study in connection with the reclamation in Sunny Bay. We will also draw up plans for studies on other potential reclamation sites.
- Since its establishment in January 2014, the Lantau Development Advisory Committee has formulated the strategic positioning, development directions and work plans for Lantau. Good progress has been achieved in its work. We will conduct a number of short-term studies this year on the planning of various commercial land uses in North Lantau; on the preliminary feasibility of cable car extension from Ngong Ping to Tai O and provision of spa and resort developments at Cheung Sha and Soko Islands; and on a proposed

overall recreation and tourism development strategy for Lantau. We will also proceed with the publicity and public engagement work in a progressive manner. We will strive to push forward the improvement works at Mui Wo and Tai O, and revitalise Ma Wan Chung in parallel with the planning of the Tung Chung New Town Extension. In addition, we plan to develop a mountain bike trail network in phases, and expedite improvement works to road bends along Keung Shan Road and South Lantau Road. We also work with the relevant departments to review the arrangements for existing closed roads and issuance of closed road permits for Lantau. In the long term, we will, upon obtaining funding approval from LegCo, commence as early as possible studies on establishing artificial islands in the central waters between Lantau and Hong Kong Island for developing the East Lantau Metropolis (ELM). With strategic transport links with Hong Kong Island, Lantau and the New Territories West, the ELM has strong potential for development into the third core business district (CBD) of Hong Kong as well as a new generation of new town that would accommodate a population of several hundred thousands.

- We have launched studies in connection with the topside commercial development on the Hong Kong Boundary Crossing Facilities Island of the HZMB. This project will create synergy with other existing and planned developments in North Lantau, including the developments in Tung Chung and the North Commercial District on the airport island, and capitalise on the opportunities brought about by the bridgehead economy after the commissioning of the HZMB.

Kowloon East

- When it comes to land supply, the provision of sites for commercial uses is just as important as the supply of land for housing. In future, Kowloon East, which includes the KTD Area, will become an important source of commercial land.
- The Energizing Kowloon East Office published the Conceptual Master Plan for Kowloon East 4.0 (CMP 4.0) in January this year, with enhancing Connectivity, Branding, Design and Diversity continuing to be the strategies. The CMP 4.0 also proposes five focuses, namely i) “Walkable” Kowloon East; ii) Green CBD; iii) Smart City; iv) Kai Tak Fantasy; and v) The Spirit of Creation.
- We propose a comprehensive development of the concept of “walkable” Kowloon East in the Kowloon Bay and Kwun Tong Business Areas by various measures. These include exploring ways to facilitate the provision of elevated walkways by the private sector; studying the feasibility of face-lifting Hoi Bun Road Park with a view to strengthening the connectivity between the Ngau Tau Kok Mass Transit Railway (MTR) Station and the Kwun Tong waterfront; face-lifting back alleys in Kowloon East to become part of the pedestrian network; and studying the feasibility of constructing a footbridge near the Kowloon Bay MTR Station to alleviate congestion at the existing pedestrian passages and enhance the connectivity between the Kowloon Bay MTR Station and the future East Kowloon Cultural Centre as well as the residential areas nearby.
- We will implement the Greening Master Plan of Energizing Kowloon

East and increase the leisure facilities in the locality so as to reduce carbon emissions. The improvement of the harbourfront environment is also crucial to the development of a green community. Apart from utilising the area underneath the Kwun Tong Bypass by transforming it into the “Fly the Flyover 01, 02 and 03” sites as spaces for creativity, arts and cultural uses, the adjacent Kwun Tong Promenade Phase 2 will also be open to the public soon. These initiatives, together with the programme for converting the nearby King Yip Street Nullah into Tsui Ping River, will provide more public leisure space in the district in a progressive manner. We have also incorporated new greening clauses into the conditions of sale for commercial sites, including the requirement for development projects to secure the BEAM Plus Gold rating or above and to provide additional green areas. At present, 14 projects in Kowloon East, including government buildings, have received a Gold or above rating.

- To tie in with the future development direction of Hong Kong, we intend to use Kowloon East as a pilot area to explore the feasibility of developing a Smart City, so as to adopt the principles of smart information, low-carbon green community and “walkability” for the transformation of Kowloon East into a sustainable CBD.
- With the announcement of the results of the “Kai Tak Fantasy” International Ideas Competition on Urban Planning and Design and “Kai Tak 2.0: Healthy Lift-off” with a Healthy City theme selected as the winning scheme, we will make reference to the outstanding designs and concepts of the winner and other shortlisted entries and commence the planning and engineering studies.

- The past industrial culture should be respected during the transformation of Kowloon East. Through the Industrial Heritage Study of Kowloon East, we understand the “Spirit of Creation” and the importance of inheriting this spirit of the past into the future. We will adopt urban place making strategies with the “Spirit of Creation” to support a unique and organic growth of Kowloon East.
- To expedite the release of development potential in Kowloon East, we are studying the relocation of the existing government facilities in the two action areas of Kowloon East to release land for the comprehensive development of commercial and other uses. This will provide some 500 000 square metres of commercial/office floor area in total, and we have been releasing suitable sites in the action areas to the market from 2014-15 onwards. Since 2012-13, we have sold four government sites in Kowloon East. These sites, together with another government site that has just been put up for sale on 27 March, will provide around 270 000 square metres of commercial/office floor area in total.
- We will continue to adopt the visionary place-making approach through public engagement activities and consultations to push ahead the Energizing Kowloon East initiative, so as to facilitate the transformation of Kowloon East and support our long-term economic development.
- As far as the KTD Area is concerned, we will carry out planning reviews and technical assessments to study the feasibility of further increasing the development intensity and proportion of residential

area in the KTD Area. Also, to tie in with the development of the site into a world-class tourism, entertainment and leisure hub, we have incorporated a “hotel belt” site closest to the Kai Tak Cruise Terminal into the 2015-16 Land Sale Programme. We are also pressing ahead with the infrastructure works at the southern end of the runway and the south apron area of the former Kai Tak Airport, so as to keep in line with the gradual release to the market of other sites within the “hotel belt” adjacent to the cruise terminal and facing Victoria Harbour.

Enhancing the Quality of Urban Life

- Public works projects have a wide coverage. Apart from the main projects mentioned above, we also pay due regard to others that improve the quality of life and the environment.

Water Supply

- We promulgated the Total Water Management (TWM) Strategy (the Strategy) in 2008. It puts emphasis on containing the growth of water demand through conservation while strengthening water supply management. A number of water demand and supply management measures have been implemented under the Strategy.
- On water conservation, apart from our promotional and educational work in schools and in the community, we have launched the “Let’s Save 10L Water” campaign and distributed flow controllers to over 135 000 participating households. We are also installing flow controllers in selected public housing estates, government buildings and schools. In addition, we have commenced a consultancy study

to develop best water-using guidelines for government facilities such as public swimming pools and parks, and trades of high water consumption such as catering, hotels and laundries.

- We will continue to expand the coverage of the Water Efficiency Labelling Scheme from the existing showers for bathing, water taps, washing machines, urinals and flow controllers to dual flush water closets.
- As at end February 2015, we have replaced and rehabilitated a total of about 2 730 kilometres of aged water mains. The number of water main burst incidents per year has been reduced from the peak of about 2 500 to about 170 in 2014. The water main leakage rate has been reduced from the peak of 25% to 16% in 2014.
- We will progressively establish the “Water Intelligent Networks”. Through installing sensors in the water supply networks and analysing the data collected from the sensors, the condition of the water supply networks will be monitored continuously and effective measures, such as pressure management and proactive leakage detection for early identification and handling of water mains in poor condition, can be devised and implemented to reduce water leakage and pipe bursts. We will also examine other techniques such as data mining to predict water main bursts, so as to achieve greater efficiency in the repair of water mains in conjunction with the “Water Intelligent Networks”.
- We have been using seawater for toilet flushing in the metropolitan areas and most of the new towns, covering a population of about 80%.

With the extension of the seawater flushing supply system to Pokfulam, Yuen Long, Tin Shui Wai and Tuen Mun areas, the population covered by the seawater supply networks will increase to 85%.

- On the other hand, given the challenges to our water resources due to climate change and continuous population and economic growth, we are developing new water sources which are not susceptible to climate change, including seawater desalination and water reclamation.
- We will commence the design of a desalination plant at Tseung Kwan O and the associated infrastructure in phases this year. It is expected that the desalination plant will commence operation in 2020. The annual output will be 50 million cubic metres and can be expanded to 100 million cubic metres, which will account for about five to ten percent of Hong Kong's annual fresh water consumption. We will apply state-of-the-art technology, including efficient energy recovery system, to enhance energy efficiency and lower the costs.
- We have started the planning work and will conduct the studies on supplying reclaimed water to the northeastern part of the New Territories (including Sheung Shui, Fanling and the New Development Areas (NDAs)) for toilet flushing and other non-potable uses. We are also working on a plan to promote the use of grey water recycling and rainwater harvesting in suitable new government works projects.
- In October 2014, we commenced a consultancy study to review the

TWM Strategy, so as to assess the effectiveness of the current TWM measures, forecast the long-term water demand and supply up to 2040, and identify new TWM initiatives to strengthen our resilience and preparedness against uncertainties and challenges.

Flood Prevention

- As for flood prevention, a number of flood prevention projects, including drainage tunnels and underground stormwater storage tanks, have been completed. Review studies of the drainage master plans for Northern Hong Kong Island, Tai Po, Sha Tin and Sai Kung are now underway. We will continue to implement various flood prevention projects, including the Happy Valley Underground Stormwater Storage Scheme which will be completed in phases between 2015 and 2018, in order to eliminate the flooding risks in Happy Valley and the nearby areas.
- We will continue to conduct a River Flood Risk Study for rural catchment areas with the aim of drawing up follow-up measures including flood warning systems and mitigation measures for rural rivers prone to high flood risk, so as to enhance the protection of the residents near these rivers.
- We will apply the concept of revitalising water bodies to nullahs and river channels, in addition to enhancing their drainage capabilities, when carrying out large-scale drainage improvement works and drainage planning for the NDAs with the aim of promoting greening, biodiversity, beautification, water friendliness, etc. As a matter of fact, we have incorporated the concept of revitalising water bodies in

a number of completed or on-going pilot nullah and river channel projects, so as to achieve environment beautification and biodiversity in nullahs and river channels.

Slope Safety

- The Civil Engineering and Development Department launched the Landslip Prevention and Mitigation Programme (LPMitP) in 2010, which is implemented on a risk management basis to deal with man-made slopes and natural hillsides to reduce their landslide risks. We use a risk-based priority ranking system to determine the rankings of man-made slopes and natural hillsides, and landslide prevention works will be carried out in accordance with the priorities on the ranking list.
- In 2015, 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 risk mitigation measures for 30 natural hillsides.
- Under the LPMitP, we will carry out landscaping works alongside upgrading works for man-made slopes and risk mitigation measures for natural hillsides. Vegetation cover will be used as far as possible to make their appearance more natural and blend with the environment in their vicinity.
- We will continue our efforts in public education on slope safety, including enhancing the public's emergency preparedness and awareness.

Lift Safety

- The Electrical and Mechanical Services Department (EMSD) will continue to strictly enforce the Lifts and Escalators Ordinance, and provide assistance for the Responsible Persons to manage their lifts and escalators, conduct inspections, promote the modernisation of aged lifts and conduct public education to enhance the safety of lifts and escalators.
- The EMSD now promulgates information on the maintenance costs of lifts in government buildings and private residential buildings and adopts a star rating system, which provides simple and clear presentation of the performance ratings of registered lift and escalator contractors, for reference by the Responsible Persons in choosing maintenance contractors for their lifts and escalators.

Tree Safety

- The DEVB has been actively promoting professional greening and tree management work with due emphasis on the protection of public safety as a priority consideration. As regards greening, to facilitate proper plant selection, encourage the wider application of skyrise greenery and promote the design concept of “Right Plant for the Right Place” in greening projects, the Greening and Landscape Office (GLO) enhanced the online version of the “Pictorial Guide to Plant Resources for Skyrise Greenery in Hong Kong” in 2014 to provide more information on plants. Also, to enable the public to gain easy access to information on and enhance their appreciation of

distinctive landscapes and green spaces in the urban areas of Hong Kong, the updated “Tree and Landscape Map” smart phone application was launched in January 2015. The GLO will continue to provide guidelines and best practices on greening and landscape planning and design standards, as well as professional inputs on the greening and landscape aspects of strategic government infrastructure projects.

- On tree management, the Tree Management Office (TMO), based on previous experience of tree risk assessment, has continuously refined the guidelines for tree risk assessment and management. The revised guidelines were promulgated in October 2014 to further enhance the recognised professional qualifications required for Inspection Officers conducting detailed tree risk assessments (Form 2) and advance the completion date of the assessments to the end of April. A new round of tree risk assessments by tree management departments has started. The TMO will continue to step up audit checks on trees managed by the departments to ensure that all tree management work is conducted in a professional and prudent manner in preparation for the onset of the wet season to better protect public safety.
- Private property owners are responsible for the proper maintenance and management of the assets, equipment and facilities, including trees, on their property. They are legally liable for any casualties or damage to property caused by the trees. Every year before the onset of the wet season, we will widely disseminate to the public information on proper tree care through different media, public seminars, video clips, etc., and write to property owners and

management companies to remind them to engage professional contractors to inspect trees on their property and carry out appropriate risk mitigation measures to protect public safety. The TMO is also drafting detailed guidelines on tree maintenance for the reference of property owners and management companies.

- We should exercise caution when considering the enactment of an ordinance to regulate trees on private property, as this will affect hundreds of thousands of private property owners. As such, we will focus on enhancing public education to provide more relevant information for property owners, encouraging community surveillance and continuing the training for professionals. In the medium to long run, the Administration keeps a prudent and open attitude towards enacting the proposed ordinance and is actively engaging in discussions with the stakeholders.
- Furthermore, through the formulation of guidelines such as the Management Guidelines for Mature Trees, the conduct of various studies on Brown Root Rot Disease, etc., we strive to raise the standards of tree management. We have also sought the views of experts and professional organisations on the protection of Old and Valuable Trees. In addition, we will continue our efforts to foster a positive attitude towards tree care in our community and encourage community surveillance of trees through different channels.

Heritage Conservation

- On the work of heritage conservation, the DEVB attaches great importance to the conservation of historic buildings. We have progressively launched a number of revitalisation projects for historic buildings under a diversified approach. Good progress has been made in various revitalisation projects launched in recent years. The six projects under Batch I of the Revitalising Historic Buildings Through Partnership Scheme (Revitalisation Scheme), namely the Former North Kowloon Magistracy, Old Tai O Police Station, Lui Seng Chun, Former Lai Chi Kok Hospital, Mei Ho House and Fong Yuen Study Hall, have all commenced operation and are well-received by the public.
- Meanwhile, works for the three projects under Batch II of the Revitalisation Scheme, namely the Old Tai Po Police Station, Blue House Cluster and Stone Houses, have already begun. The Old Tai Po Police Station and Stone Houses are expected to commence operation in the first half of 2015, while the Blue House Cluster is expected to come into operation in 2016.
- Funding applications will soon be submitted to the FC for the works for the three projects under Batch III of the Revitalisation Scheme, namely Haw Par Mansion, Bridges Street Market and the Former Fanling Magistracy. It is expected that the works will be progressively carried out in due course.
- We launched Batch IV of the Revitalisation Scheme in December

2013 and invited non-profit making organisations to submit proposals for the revitalisation and adaptive re-use of four selected historic buildings, namely No. 12 School Street, Old Dairy Farm Senior Staff Quarters, Lady Ho Tung Welfare Centre and King Yin Lei, in the form of social enterprises. The selection results will be announced in the second quarter of 2015.

- 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 scheduled for completion between late 2015 and early 2016.
- We strive to strike a balance between respect for private property rights and heritage conservation. The DEVB and the Antiquities and Monuments Office will continue to proactively reach out to private owners and offer assistance, such as the provision of technical advice and financial assistance for the maintenance of historic buildings as well as economic incentives for preservation-cum-development projects, so as to encourage and facilitate private owners to preserve the historic buildings in their ownership.
- The archaeological excavation and fieldwork at the work site of the To Kwa Wan Station of the SCL were completed in October 2014. Upon consultation with the Antiquities Advisory Board (AAB), the Panel on Development of LegCo and the Kowloon City District Council, we finalised on 8 December 2014 the conservation plan for the remnants unearthed, in which most of the remnants will be preserved in-situ. We will continue to work out a suitable

interpretation plan in collaboration with the departments and organisations concerned so as to put the remnants and relics on display properly for the enjoyment of the public.

- Following completion of the policy review on the conservation of built heritage at the end of last year, the AAB advised the Government on the principles and directions of conservation policies in future, such as setting up a dedicated fund for the conservation of built heritage. We will study carefully the recommendations of the AAB for possible implementation and make response in due course.

Conclusion

- Chairman, the above is a brief account of the works portfolio. My colleagues and I will be happy to answer any questions that Members may wish to raise. Thank you.
