

**Minutes of the open meeting of the HONG KONG HOUSING  
AUTHORITY held on Thursday, 8 July 1999.**

**PRESENT**

Dr the Hon Rosanna WONG Yick-ming, JP	<b>(Chairman)</b>
Mr J A MILLER, JP (Director of Housing)	<b>(Vice-chairman)</b>
Hon LEE Wing-tat	
Mr Daniel LAM Chun, JP	
Mr YEUNG Ka-sing, JP	
Dr Joseph CHOW Ming-kuen, JP	
Mr Eddy FONG Ching, JP	
Mr Raymond CHOW Wai-kam, JP	
Ms SIU Yuen-sheung, JP	
Dr Anthony CHEUNG Bing-leung, JP	
Mr WAN Man-ye, JP	
Mr CHAN Bing-woon, SBS, JP	
Mr LAU Kwok-yu, JP	
Hon CHENG Kai-nam, JP	
Hon NG Leung-sing	
Ms Iris TAM Siu-ying	
Mr WONG Kwun	
Mr Philip Trevor NUNN	
Hon CHUNG Shui-ming, JP	
Mr Michael CHOI Ngai-min	
Mr Alex CHOY Kan-pui, BBS, JP	
Mr IP Kwok-him, JP	
Mr George NG Sze-fuk, BBS, JP	
Mr LEUNG Chin-man, JP	(Secretary for Housing)(Acting)
Mr K T POON	(Director Corporate Services)(Acting)
	<b>(Secretary of the Authority)</b>

**ABSENT WITH APOLOGIES**

Mr Anthony WONG Luen-kin, JP

Mr Walter CHAN Kar-lok, JP )  
Mr Peter WONG Hong-yuen, GBS, JP ) (Out of Hong Kong)  
Mr NG Shui-lai, JP )  
Professor Richard WONG Yue-chim, SBS )  
Hon HO Sai-chu, SBS, JP  
Miss Denise YUE, JP (Secretary for the Treasury)  
Mr R D POPE, JP (Director of Lands)

## IN ATTENDANCE

Mr R A BATES, JP (Deputy Director/Works)  
Mr Vincent TONG, JP (Deputy Director/Management)(Acting)  
Mr T C YUEN, JP (Business Director/Development)  
Mr R J AVON, JP (Finance Director)  
Mr K H LAU, JP (Business Director/Allocation & Marketing)  
(Acting)  
Mr Joseph LEE (Business Director/Commercial and Business  
Development) (Acting)  
Mr H T FUNG (Assistant Director/Management 3)  
Mr Joseph KONG (Project Director/Central)  
Mr David LEE (Assistant Director/Development)  
Mrs Doris MA (Project Director/West)  
Mr Y K CHENG (Assistant Director/Applications and Home  
Ownership)  
Mr John CHIU (Project Director/East)  
Mr Andrew LAI (Head of Corporate Strategy Unit)  
Mr K N CHEUNG (Assistant Director/Operations and  
Redevelopment) (Acting)  
Mr S K KWOK (Assistant Director/Management 1)(Acting)  
Mr WONG Bay (Assistant Director/Management 2)(Acting)  
Mr Albert LEE (Assistant Director/Business)(Acting)  
Miss May CHAN (Senior Administrative Officer/Administration)  
Miss Angelina KWAN (Senior Administrative Officer/Policy)  
Mr W K TANG (Senior Building Engineer/Construction 10)  
Mr Lawrence CHOW (Committees' Secretary) (**Meeting Secretary**)  
Mr Dennis MAK (Senior Assistant Committees' Secretary/2)  
(**Assistant Meeting Secretary**)

## Opening Address

The **Chairman** opened the meeting at 8:45 a.m. and welcomed Members to the meeting. She also welcomed Mr K T POON, who stood in as Secretary of the Authority during Miss Jennifer MAK's leave.

## Congratulation

2. On behalf of Members, the **Chairman** congratulated the following Members for having received awards or being appointed as Justice of the Peace –

<b>Member</b>	<b>Award/Appointment</b>
Mr Peter WONG Hong-yuen, GBS, JP	Gold Bauhinia Star
Professor Richard WONG Yue-chim, SBS	Silver Bauhinia Star
Mr HO Sai-chu, SBS, JP	Silver Bauhinia Star
Mr Alex CHOY Kan-pui, BBS, JP	Bronze Bauhinia Star
Mr WONG Kwan	Medal of Honour
Ms SIU Yuen-sheung, JP	Justice of the Peace
Dr Anthony CHEUNG Bing-leung, JP	Justice of the Peace
Mr LAU Kwok-yu, JP	Justice of the Peace
Mr CHENG Kai-nam, JP	Justice of the Peace
Mr IP Kwok-him, JP	Justice of the Peace

3. She informed Members that the Housing Authority Annual Report 1997/98, which was compiled by Information and Community Relations Division led by Mr K T POON, had entered the 1999 International ARC Awards Competition and won an award in each of the following categories –

<b>Category</b>	<b>Award</b>
(1) President's Letter	Gold
(2) Financial Data	Gold
(3) Written Text	Bronze
(4) Cover Photo/Design	Silver
(5) Photography	Bronze
(6) Interior Design	Finalist
(7) Annual Report	Silver
(8) Non-profit Organizations	Finalist
(9) CD-ROM Non-traditional Annual Report	Gold

The presentation ceremony would be held at New York on 29 July 1999. She thanked staff members for their remarkable efforts resulting in these awards.

4. The **Chairman** went on to inform Members that the customer service training and enhancement pilot scheme and implementation programmes of the Housing Authority had gained outside recognition. The following awards were attained in 1999 –

- (1) Hong Kong Management Association – 1999 Award of Excellence in Training – Honorable Mention
- (2) Civil Service Training and Development Institute
  - (a) Best Training Programme Prize – Customer Service Training and Enhancement Pilot Scheme
  - (b) Best Practices in Human Resource Development Award – Customer Service Training – First runner-up

5. These customer service improvement schemes and programmes were in support of the customer service framework and strategy approved by the Human Resources Committee (HRC) and launched since August 1998 to develop a customer service culture in the Housing Authority. Up to June 1999, a total of 450 services leaders and 1 500 front-line staff had been trained. She extended her thanks to the HRC members and congratulated staff of the Training and Development Centre for their achievements.

#### **AGENDA Item 1**

**Confirmation of the minutes of the special open meeting held on 6 May 1999**  
(Paper No. HA 40/99)

6. The minutes of the special open meeting held on 6 May 1999 were confirmed and signed.

**AGENDA Item 2**

**Matters arising from the minutes of the special open meeting held on 6 May 1999**

(Paper No. HA 42/99)

7. Members noted the Department's report.

**AGENDA Item 3**

**Confirmation of the minutes of the annual special open meeting held on 3 June 1999**

(Paper No. HA 43/99)

8. The minutes of the special meeting were confirmed and signed.

**AGENDA Item 4**

**Responses to Members' addresses made at the annual special open meeting held on 3 June 1999 by Dr the Hon Rosanna WONG Yick-ming, JP Chairman of the Housing Authority (English Translation)**

9. "Members and Colleagues,

At the Special Meeting of the Housing Authority on 3 June, Members expressed different views on the Authority's various areas of work. Their views are worth considering and following up as far as our present and future work is concerned, and I do share quite a number of them. Today I would like to focus my response on several areas including site safety, housing for the elderly and the formation of owners' corporations.

**Site Safety**

First, site safety.

At the last meeting, I pointed out that the Authority had to ensure the quality of contractors and put forward some proposals to enable the Authority to monitor the performance of contractors more effectively and ensure building quality. Today I would like to add that their performance in site safety is as important as the quality of their buildings. Mr Philip Trevor NUNN pointed out that the Authority had to

set the lead in enhancing site safety, and proposed to take strong actions against contractors who failed to meet the required standards. I fully agree with him.

In recent years, the rates of industrial accidents on Authority sites which had long remained lower than those of other sites, however, have risen, with up to 1 700 cases in 1998, a sharp increase of 1.5 times over 1997. Last year the number of fatal accidents was 11 while there has already been seven as at the end of June this year. I am deeply grieved by and concerned about this trend which indicates that we must address the problem seriously and take effective safety measures as soon as possible.

Being the largest developer in Hong Kong, the Housing Authority has huge housing production which will peak at 63 000 flats this year and even 93 000 in the next. As indicated by Mr NUNN, the Authority is duty-bound to set the lead in enhancing site safety. In the past, the Authority focused on the promotion of site safety. Site safety campaigns, audits and studies were carried out to enhance workers' awareness of site safety and to make employers more vigilant on the safety of workplaces. These measures are no doubt effective in changing the safety culture in the construction industry as a whole. But promotion and publicity alone are not enough, we must take more positive and specific actions.

I would like to make one point clear, that is, the Authority is intolerant of any contractors with unsatisfactory performance in site safety. As such, I urge the Department to implement the following initiatives as soon as possible -

First, tighten up the 'Safety Audit System' to impose further penalties on contractors who fail to meet the requirements for site safety.

Under the System endorsed by the Building Committee in April this year, any contractors who fail to meet the requirements for site safety twice shall be suspended from tender for three months. The list of contractors suspended from tender will be made public. However, I still find this measure too lenient. It should be further tightened up, for example, with the imposition of an immediate suspension for more than three months.

Second, implement the 'Pay for Safety Scheme' as soon as possible to ensure contractors fulfill their obligations as to site safety.

Under its framework endorsed by the Building Committee, any contractors who fail to implement any particular safety programmes shall be withheld the tender sum for the same. For instance, if a contractor fails to meet the standards set for the site safety audit, he may be withheld the tender sum (of around \$1M estimated on the basis of a contract sum of \$700M under the current practice). The 'Pay for Safety Scheme' is more or less the same as the proposal of Mr NUNN in the sense that a pecuniary penalty will be imposed upon contractors who do not meet the safety standards. In this connection, I urge the Department to further look into the amount of the fine and the details of implementation.

Third, meet contractors regularly to strengthen communication and monitoring.

I understand that the Department has held meetings with the industry on site safety. As an additional communication channel, I suggest that regular meetings be held with contractors to review the effectiveness of the two initiatives mentioned above. Through regular meetings, the Department could inform contractors of the Authority's requirements for safety performance at the earliest and remind them of their common mistakes with a view to stepping up monitoring function, urging improvements and achieving the anticipated results of the punitive measures.

To step up monitoring, I also urge the Department to hold regular meetings with the senior management of other relevant government departments to check together contractors' performance in site safety and blacklist those with poor records.

Let me reiterate, the Authority treasures the life of every worker on sites, and is determined to enhance site safety. I hope the above measures could provide site workers with better protection. Meanwhile, I do urge all contractors to address the problem and join efforts to prevent industrial accidents on sites.

## **Housing for the Elderly**

Now I would like to turn to housing for the elderly. Ms SIU Yuen-sheung expressed concerns over the matter at the last meeting and I would like to share my views with you.

Over the past few years, the Authority has directed much effort to addressing the housing needs of the elderly. Different types of housing are provided to meet the varying needs of the elderly and the supply of small flats has increased. Initiatives are in place to reduce the waiting time of the elderly for public rental housing and encourage the family to live with their elderly members. With our efforts, the waiting time of the elderly is reduced to three and a half years.

Nevertheless, there will still be a great demand for elderly housing in the long term. 15% of our population of 6.7 million are elderly persons over 60. It is projected that the figure will increase to 20% in 2016. The problem of aging population is more serious in public housing estates. Our public rental estates and Home Ownership Scheme (HOS) courts accommodate 470 000 senior citizens aged over 60, accounting for 54% of the elderly population in Hong Kong. The proportion of elderly population is even higher in the older estates with eight estates having an elderly population of over 30%.

With the increasing demand for elderly housing, it is necessary for the Authority to develop a long-term strategy in a more systematic manner and set clear objectives. We should study the compatibility and effects of different initiatives from a wider perspective to minimize inconsistency. I suggest that the Strategic Planning Committee (SPC) consider and develop a long-term strategy on elderly housing as soon as possible. It should set out the broad direction and policy statement while the implementation details are to be considered by relevant committees. This will ensure that the elderly are provided with adequate and suitable accommodation. In drawing up a long-term strategy, we shall look into the following aspects :

First, the future demand for elderly housing.

To develop a long-term strategy, we need an accurate estimation of the demand for elderly housing and a clear understanding of the background and needs of the elderly. The Government is working on this and hopes to develop a specialized model to assess the housing



need of the elderly in the year. I suggest that the Department collate and analyze the data and information as soon as it receives the information from the Government so that the Authority will have a timely strategy on the development of elderly housing.

Second, the supply of 1-person (1P) and 2-person (2P) flats.

As I have just mentioned, the Authority has increased the supply of small flats for the past few years. However, the supply still falls short of demand. Of the some 15 000 single applicants on the waiting list, about 6 000 are elderly. To meet the housing demand of the elderly and achieve the objective of shortening the waiting time of other single applicants, we must put in more efforts to address the problem of insufficient supply of 1P and 2P units. I suggest that the Department study the feasibility of converting flats under construction to small flats and further consider building more annex blocks so as to step up the provision of small flats.

Third, the planning of elderly housing.

Increased provision of small flats is imperative to meet the demand for elderly housing in the short term. However, in the long run, we should put more effort into elderly housing planning and identify ways to increase the ratio of elderly housing flats in some public rental housing estates. We should also pay attention to the flat design and supporting facilities so as to meet the specific needs of the elderly and take care of their interest.

Fourth, division of work and cooperation with other government departments and organizations.

Housing provision is only part of the whole process to provide comprehensive care for the elderly and meet their needs. To achieve more desirable results, we must better coordinate various services and initiatives relating to the welfare and medical care of the elderly and ensure the optimum use of resources. I suggest that the Department should work with other departments and organizations to review the extent to which the elderly receive continuous and due care and attention in the local community. With the improvement of service coordination, more elderly people will be able to lead a comfortable life in their old age.

Fifth, the allocation policy.

We should continue to review and refine the existing allocation policy. Greater efforts should be made to encourage the younger generation to reside with their elderly family members to achieve the objective of “young and old under one roof”.

I hope that the Department could submit the proposals on Long-term Elderly Housing Strategy to the SPC for discussion within four months. The Authority will continue to work closely with the Elderly Commission in exploring viable initiatives and policies to provide the most suitable accommodation for the elderly.

### **Owners' Corporations**

Mr CHAN Bing-woon and Mr CHENG Kai-nam pointed out that the Authority should make greater efforts to encourage and help HOS and Tenants Purchase Scheme (TPS) owners to establish owners' corporations (OCs) to manage their estates. I agree with them.

Among HOS courts after Phase 18, those with and those without OCs equally number seven, while five out of six estates under TPS Phase I have established OCs. However, among HOS courts of Phase 18 or before, only 11 have OCs while those without OC total as many as 93. At a brainstorming session held earlier on, HOC went through a detailed discussion over the matter. Members all considered that the pace of formation of OCs should be quickened following the implementation of the TPS and the recent relaxation of HOS resale restrictions. In fact, 39 HOS courts have passed beyond the alienation restriction period and more than 40% of the flats in some of these courts have been resold. It is desirable that the Authority should transfer the management responsibilities to the owners as soon as possible.

Property management should be taken over by owners not only because it is their right but also because they will have a higher degree of autonomy and flexibility in managing their own properties. However, I understand that since most of the HOS owners do not have any experience in property management, it will not be an easy task for them to form their own OCs. In this connection, the Department will take positive steps to assist them, e.g. offering training to them and providing office accommodation within the estates as far as practicable. This is to ensure that the management agencies can operate more

effectively in future. I believe that the successful experience of the private residential estates and the HOS courts after Phase 18 in the formation of OCs will provide a good reference for owners of other HOS courts.

Mr CHAN Bing-woon also said that he looked forward to an early amendment of the Building Management Ordinance. I would like to take this opportunity to echo Mr CHAN's view by urging the relevant departments to amend the Ordinance as soon as possible. I believe that the overall standard of property management in Hong Kong can only be further enhanced if legislative provisions are made specifying that owners of newly completed buildings have to assume the responsibility to establish OCs and that owners of those poorly managed buildings are compulsorily required to take up the management responsibilities.

## **Conclusion**

The Housing Authority's commitment to the development of public housing in Hong Kong for nearly half of a century has been evident to all. With the advent of the 21st century, we have to make an even greater commitment to the provision of public housing. There are always challenges in our work. In the face of a changing society, we must steer towards higher goals and broader visions to meet the expectations of the public. While the commitments we made in the past are being progressively fulfilled, we will work towards our common goals with the same dedication as before.

Lastly, I would like to take this opportunity to express my heartfelt gratitude to Members, Mr Tony MILLER and staff of the Department for your dedication and hard work over the past year. Without your unfailing support and firm commitment to serving the community, I am afraid we can only get half the result with twice the effort, nor can we make any headway in the implementation of policies and initiatives and in the quest for changes and improvement. I would like to thank you again for your contribution and hope you will continue to make concerted efforts to further the development of Hong Kong.

Thank you."

**AGENDA Item 5**

**Responses to Members' addresses made at the annual special open meeting held on 3 June 1999 by Mr Tony MILLER, JP, Director of Housing**

10. "Madam Chair,

In responding to Members, I would like to address four topics These are :

- a) Quality;
- b) Rents;
- c) Home Ownership; and
- d) Consultation with staff on Private Sector Involvement

**Quality**

A number of members focused on quality. I agree with them. We face an immense challenge.

More than 300 000 flats will be completed over the next five years. Half of them will be produced this year and next. To cope with this production bulge, half our project supervision has been contracted out to consultants. From time to time there will be problems. Given this unprecedented level of production, it would be naive to think that there will not be. However, when problems occur, they will be dealt with promptly, firmly and fairly.

Through the Building Committee, we have restructured the way we inspect our buildings by targeting key stages in the construction process. This is proving effective. Last year I emphasised the need for a change of attitude, for a clear understanding of the Housing Authority's expectations. If a front-line inspector discovers something that is not right, then it is not right, and his or her decision will be supported. On a number of occasions over the last 12 months, we have delayed completion of a contract rather than accept unsatisfactory work. The message to the industry is clear.

Turning to the future, we are putting into place the foundations for a new structure. There are, I believe, three key elements -

- First, housing production must be consistent and not a roller-coaster of peaks-and-troughs;
- Secondly, the culture of the construction industry needs to change: beyond a change of attitudes and ethics, we must work for a delayering of subcontracting, improved communication, care for safety and the environment.
- Thirdly, we need to invest in the future. Quality improvements are often based on training, technology and design. Encouraging research and development is important; likewise investment in people.

The Building Committee is to be commended on its vision. Under their guidance, a balanced package of carrots-and-sticks of change is being put into place. PASS 2000 represents the next stage of performance assessment of contractors. Tendering opportunities, taken with the recently announced performance based tender awards, and bonuses will reward contractors who choose to pursue excellence. They will be our partners. The system will eliminate those that either fail to perform or to change.

I repeat, we face an immense challenge in coping with the current peak in production. I would like to thank the Building Committee for their vision and understanding. I would also like to pay tribute to my staff. They are under enormous pressure, but they are also determined to achieve a quantum change in product quality.

## **Rents**

Madam Chair, one Member proposed that we should reduce rents in respect of our public rental housing. I do not agree with his proposal. More than this, I think it worth reminding ourselves that the Housing Authority is under a twin legal obligation. On the one hand we are obliged to balance our books; on the other we must keep our rental housing rents within 10% of median incomes. Taken together, these subject the Authority to an iron discipline.

Historically, it has never proved possible to cover expenditure on our rental estates from rental income. In practice, we have covered this deficit with revenue from other sources, in particular from the Authority's commercial properties. It has always been a delicate balancing act.

The last two years have seen a very adverse economic environment. We have done our best to assist both our domestic and our commercial tenants weather the storm, on the one hand through freezing rents for 610 000 public rental housing units, on the other, through a massive reassessment of rents for individual commercial properties. As regards the domestic estates, the rents in some cases have now remained unchanged for over five years. On top of this, the best rent for newly completed estates will continue to be frozen at the current level until December this year. At present 75% of our rents are below \$1,500 a month, including rates and management expenses.

The costs of this restraint are significant, particularly when set against remorseless increases in operating expenditure. Since 1993/94 operating expenses have increased by just over 60%, while income has increased by just under 42%. So today I would like to underline the fact that these relief measures provided for our customers are short term measures designed to meet short term needs. For the longer term, we must ensure that the subsidies involved in the rental programme are sustainable, that we cut our coat according to our cloth, maximizing both efficiency and productivity as well as commercial revenue potential.

## **Home Ownership**

Madam Chair, I find myself, not for the first time, in complete agreement with Mr. Walter Chan. The various new Home Ownership initiatives introduced over the last two years have provided our customers with a much wider choice than previously. However, it is essential that we present and package these schemes in a coherent and user friendly manner.

I recognize that there have been comments from some observers that it is all rather confusing. In fact, as Members are aware, the various initiatives all form part of a coherent whole and I recently set this out in some detail in a public speech which I have circulated to Members. Nevertheless, I would like to assure Members that we will be working to ensure that our publicity material and our marketing strategies are not tied to individual schemes, but rather set out the schemes as a menu from which our customers may select. In this way we hope to facilitate both an understanding of the various schemes, and enable our customers to make an informed choice of the scheme most suited to their individual needs.

At a wider level, I take this opportunity to inform Members

that we will also be working to improve the way in which information about the secondary market is made available for our clients and the public at large. In particular, we will be working with colleagues in the Rating and Valuation Department to ensure that full data on the volume of tradable properties, transactions which take place, prices and resale conditions are made public in the same way as is already the practice for privately built stock.

### **Consultation with staff on Public Sector Involvement**

Several Members spoke in support of Corporate Reform and on the need for adequate communication and consultation with staff. I would like to assure Members that we are committed to involving staff as fully as possible in the process of reform and the development of all arrangements affecting their future.

Members will wish to know that the Task Force on Private Sector Involvement has now been established, chaired by Mr. CHAN Bing-woon. We have invited the Chairman of the Alliance of Housing Department Staff Unions to fill the position of Vice-chairman of two of the Working Sub-Groups, one on the Management Buy-Out proposal; the other on the Alliance's Sixth Option, and to nominate other staff representatives to sit on both groups. In addition, in accordance with normal Civil Service practice, a Consultative Committee is to be formed, which will comprise representatives of both management and staff, for the purposes of formal staff consultation on staff incentive and transfer arrangements and the like. I have no doubt that the Chairman of the Task Force will also make himself available for more general consultations as and when the need arises.

### **Conclusion**

Madam Chair, Members of Housing Authority, the development of public housing in Hong Kong is now at a critical stage. I earnestly hope, indeed I am fully confident, that with concerted efforts, the Housing Authority can reach new heights in the new millennium.

Thank you.”

**AGENDA Item 6**  
**Environmental Policy Statement and Initiatives**  
(Paper No. HA 44/99)

11. **Mr R A BATES** took members through the paper.
12. **Mr LAU Kwok-yu** supported the Department's proposals. He suggested the Department advise Members on whether at the design stage for the air-conditioning duct of the commercial facilities and the canopies in housing estates, careful planning had been made for their maintenance and cleaning to enhance environment protection. He welcomed the proposed issue of annual environmental report and suggested they should also be circulated to organizations including mutual aid committees, owners' corporations and estate management advisory committees for monitoring and feedback on our environmental initiatives. He expressed concern over the way the effectiveness of the environmental initiatives and campaigns could be sustained. Referring to the annex to the paper, he suggested that the 'Implementation/Achievement' column should be differentiated into separate 'Implementation' and 'Achievement' columns so as to monitor whether fruitful results were achieved. To enhance environmental awareness amongst tenants, a system of appointing environmental protection ambassadors at each estate could be set up. Prizes could be given out to recognize the contribution of these ambassadors.
13. **Ms Iris TAM Siu-ying** expressed appreciation of the Department's proposals and said that the Department should set an example in taking forward environmental initiatives. She opined that new estates constructed had reached new heights and their size could be massive. The Department should take into account their impact on the neighbourhood including air circulation and their outlook on the overall landscape. She welcomed the arrangement of separating waste at source but pointed out that its effectiveness would depend on better co-ordination amongst Housing Department and other bodies such as Environmental Protection Department so that the segregated waste would land in recycling factories and not landfill.
14. **Ms SIU Yuen-sheung** commended the proposals in the paper which were supportive of the worldwide efforts to protect the environment. She advocated the formulation of a policy statement



which would guide the implementation of environmental initiatives in various estates. To sustain the awareness and interest of tenants in environmental management, appropriate and continuous publicity should be made at housing estates. She welcomed the Department's trial schemes to reduce waste caused by decoration of flats by tenants or owners. She believed that tenants or owners would welcome the scheme as they could make their choice of decoration and obviate the cost of removing unwelcome fittings.

15. **Mr YIP Kwok-him** welcomed the proactive approaches in environmental management as set out in the paper. He was concerned that estate tenants were not forthcoming in separating their waste and that facilities were not adequate or conducive to promote good practices in waste segregation. He proposed the Department put more emphasis on the designs of waste disposal process to protect the environment. Though there would be many issues to be resolved, he supported the direction of providing only the basic internal decoration items in new estates to minimize unnecessary waste. He supported the initiatives to reduce wastage of water and opined that the choice of water pipes should be improved as this had significant impact both on the environment and the water quality available to the user.

16. **Mr Daniel LAM Chun** said that appropriate facilities or equipment should be set up to facilitate users so to reduce environmental pollution. An example was that to uncover a refuse bin, a 'step-on' type would be preferred by users to a type which required pulling out the cover lid and cause the users' hands dirty. Referring to paragraph 8 of the paper, he suggested compiling a checklist to assess the performance of consultants who played an important role in environmental management. He also suggested that in recognizing environmental achievements, awards could be given to appropriate individuals in addition to organizations.

17. **Mr WAN Man-ye** suggested that the Housing Department should adopt a proactive attitude in taking every environmental initiative forward. An example was to consider conserving light energy by using lower intensity lighting in estates whilst maintaining proper security standard. The Department should also take a lead and surpass the standard in its compliance with relevant environmental legislation and regulations. On promoting a green environment, he criticized that the Agriculture and Fisheries Department might have one-half of the country park area planted with inappropriate plantations. He suggested that the Department should plan and choose the right plantations for green areas

and select non-toxic material for construction works. Referring to page 9 of the annex to the Paper, **Mr WAN** pointed out that the OTTV requirement, i.e. on the standard of thermal transmission of outer wall, was set at a low standard and its compliance did not add any significant value to environmental protection. On point 7 of the proposed environmental policy statement, he commented that promoting residents' participation should be the right approach in addition to promoting their environmental awareness.

(At this juncture, Mr NG Leung-sing left the meeting and Mr LEE Wing-tat joined the meeting.)

18. **Mr WONG Kwan** was in support of the Department's proposals. He considered that the aim of environmental protection should be its effectiveness and benefits. It should not be viewed as a financial burden. The Housing Department or the Government had to pay the necessary expenses but in the long run these efforts would pay off. The Department should consider devising measures and rewards to encourage tenants to protect the environment continuously. As a basic step, the Department should consider the effectiveness of environmental management when planning and designing new estates. He had seen many examples such as inappropriate clothes drying areas which caused environmental problems. Tenants might switch to installing illegal structures for drying clothes or use drying machine which resulted in a waste of energy.

19. **Mr Joseph CHOW Ming-kuen** supported the paper, which set out the right way forward. Commenting on the environmental policy statement, he suggested removing the bullet point i.e. 'to comply with all relevant environmental legislation and regulations' as the Housing Authority should already be complying with these laws and regulations. He also suggested moving the fifth bullet point, i.e. 'to promote healthy living and a green environment' to become the first point as it depicted the essence of all initiatives. On the sixth bullet point, he considered that it might be reworded as 'To develop procurement policies to minimize the use of resources'. Without further qualification of this statement, it might reduce restriction on the implementation of new initiatives.

20. **Mr LEE Wing-tat** expressed his appreciation of and support to the Department's proposals. He had his views tabled for Members' information (Annex A). He said that the Legislative Council (Legco) was concerned about the Government's efforts in disposing of solid waste. The rate at which the landfill areas were filled up was fast and in five to ten years' time the areas might be used up. The Legco might request every department to report on its progress on the matter. The solid waste caused by the Department's housing projects was less substantial than that by private sector projects but he invited the Building Committee to tackle this problem and to adopt measures to encourage contractors to build estates with quality environmental management.

21. **Mr R A BATES** thanked the many useful suggestions by members. On the environmental policy statement, he agreed that the fifth bullet point should be placed at top and that the second bullet point statement could be taken away as the Housing Authority had all along been complying with relevant environmental legislation or regulations; with some of them even exceeded their requirements. He agreed to reword the sixth point as proposed by Mr Joseph CHOW Ming-kuen but drew members' attention that it could cause considerable change to related cost. **Mr BATES** also supported the suggestion to add 'and participation', after 'environmental awareness' to the seventh bullet point. On the suggestion to being proactive in improving the environment, **Mr BATES** considered that the introductory paragraph might have reflected this but he welcomed members' proposals.

22. **Mr CHUNG Shui-ming** considered that the statement at the second point should be retained. He said that the Housing Authority or the Department might be exempted from some of the relevant legislation and regulations but retaining them on the policy statement would reflect the Authority or the Department's commitment to environmental protection. He supported the proposal to reword the statement to show that when possible, the requirements under the relevant legislation or regulations were to be exceeded. How successful the Authority had complied with these laws and regulations could then be revealed in the annual environmental report.

23. **Mr WAN Man-ye**e reiterated his suggestion of amending ‘to comply with’ at the second point, to read ‘to surpass the minimum requirement of’. Referring to the sixth bullet point, **Mr CHOI Ngai-min** said that ‘the development of procurement policies’ was only one of the areas to be considered in minimizing the use of resources. The original intention of this statement would be affected if this phrase was to be put at the start of the sentence.

24. The **Chairman** suggested rewording the second point to ‘strictly comply with and implement all relevant environmental legislation and regulations’. This might obviate any impression that the Authority or the Department did not have established standards. The **Director of Housing** proposed amending the wording to ‘to set an example in complying with’. **Mr Joseph CHOW Ming-kuen** considered that the introductory part of the policy statement had stated that the Authority was committed to continually improving the environmental standard.

25. **Mr CHENG Kai-nam** supported that the wording should reflect ‘strict compliance’ and ‘fully implementing’ the relevant legislation. **Mr WAN Man-ye**e pointed out again that environmental standard such as OTTV was of a low standard. The Authority should lead and surpass the standard so as to be consistent with the Authority’s commitment to continually improving the environmental standards. **Mr YIP Kwok-him** proposed to add words to reflect that the Authority would comply with the legislation in an exemplary manner. This would show that the Authority would take a leading role in setting environmental standards.

26. With the views presented, the **Chairman** suggested the meeting decide first on the Chinese version for the bullet points, which would then be translated into English. The proposed wording was –

(1) second bullet point

- ◆ To strictly comply with and fully implement all relevant environmental legislation and regulations

(2) sixth bullet point

- ◆ To develop procurement policies to minimize the use of resources and achieve cost effectiveness

(3) seventh bullet point

3

- ◆ To promote environmental awareness and participation among staff, residents and contractors through education and publicity programmes

27. Members voted and agreed on the adoption of the above wording (Note : The agreed Chinese and English versions of the environmental policy statement are at **Annex B**).

28. On waste reduction, **Mr BATES** said that the majority of construction waste were generated from demolition works related to redevelopment programmes. Increase in the amount of waste was expected in 1999 and 2000 but it would drop in the years after. Waste segregation was already in progress to minimize the amount that went to landfill. He intended to initiate a study into appropriate ways, including tendering procedures, to reduce waste within the construction industry. The Building Committee or the Strategic Planning Committee would be consulted. He shared Members' views that environmental protection campaigns should be consistently held and not conducted on an one-off basis.

29. In summing up, the **Chairman** said that recommendations in the paper were approved with the amended wording for the environmental policy statement. The annual environmental report could also be circulated to local or concerned bodies. With the support of all Members she believed the Authority and the Department would take the lead in environmental improvements.

(Dr Anthony CHEUNG Bing-leung joined the meeting at this juncture.)

**AGENDA Item 7**  
**Any Other Business**

30. **Mr WONG Kwan** expressed his disappointment that the comments he put up in the last meeting on enhancing the transparency and accountability of the Authority had not been included in the agenda of the meeting or responded to. He also said that he had repeatedly asked the Department to give him figures on the number of unregistered tenants living in public housing but to no avail. This had hindered a useful assessment on the effectiveness of implementing housing policies and identification of problems to be addressed. He further mentioned that he noted from the media that the ICAC was investigating allegations of corruption in relation to housing staff's enforcement actions against illegal hawking. He asked if the Department had made any plans or measures to prevent the proliferation of possible corrupt practices, especially when staff were facing uncertainty over their future employment.

31. **The Chairman** said that the Authority had over the years enhanced its transparency and made known to the public the work the Authority had done. She welcomed members' views on how transparency might further be enhanced. She remarked that she was deeply concerned over the reported ICAC investigation and reiterated that any corrupt acts of housing staff would never be condoned. Full co-operation would be given to the ICAC investigation but she could not comment on the case further as the investigation was still in process. She added that the Department would examine the system and procedures in hawker enforcement to ascertain if they could be improved or refined.

32. **Mr LAU Kwok-yu** said that some comments raised by members at the last meeting had not been covered by the Chairman or Director at the present meeting. He suggested an annex be produced to accompany the Chairman's or Director's written responses in the future so that members would be informed of the follow-up action arranged.

33. **The Chairman** assured members that their comments had been taken on board and duly considered. She thanked Mr LAU for his suggestion and said that the Department would consider his suggestion.

### **Vote of Thanks**

34. On behalf of Members, the **Chairman** extended her thanks to Mr LEUNG Chi-man for his valuable contributions to the Housing Authority. She congratulated Mr LEUNG on his promotion to the post of Director of Buildings and looked forward to working with him again.

### **Closure of Meeting**

35. The meeting closed at 10:32 a.m.

### **Date of Next Meeting**

36. The next meeting would be held at 8:45 a.m. on Thursday, 7 October 1999.

Confirmed on

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Dr the Hon Rosanna WONG Yick-ming, JP  
(Chairman)

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Lawrence CHOW  
(Meeting Secretary)