

## LCQ1: Measures to boost the economy

Following is a question by the Hon Shiu Ka-fai and a reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (January 27):

Question:

Hong Kong's economy has been hard hit by the Coronavirus Disease 2019 epidemic, which has persisted for one year and has not yet subsided. To encourage consumer spending of members of the public with a view to boosting the economy, the Government launched the \$10,000 Cash Payout Scheme in the middle of last year. However, there have been comments querying the Scheme's effectiveness in boosting the economy. In this connection, will the Government inform this Council:

(1) of the latest situation of the Cash Payout Scheme, including the number of persons to whom money was disbursed and its percentage in the total number of eligible persons, the total amount of money disbursed, and the administrative cost incurred;

(2) whether it has assessed the increase in the amount of local consumer spending of members of the public as a result of the disbursement of cash to them, and the economic benefits brought about by that amount; and

(3) whether it will consider afresh, by following the practices of places such as the Mainland, Macao, Taiwan, South Korea and Singapore, issuing electronic consumption vouchers to members of the public in order to boost the economy and help fuel the recovery of all businesses; if not, of the reasons for that?

Reply:

President,

The Financial Secretary announced the Cash Payout Scheme in the 2020-21 Budget to disburse \$10,000 to Hong Kong permanent residents aged 18 and above, with a view to relieving people's financial burden as well as encouraging and boosting local consumption. The Cash Payout Scheme is expected to benefit about 7 million eligible persons, involving around \$70 billion. Starting from June 21 last year, eligible persons could submit electronic or paper registrations to join the Scheme. The registration will close on December 31 this year. I urge those eligible persons who have not yet registered for the Scheme to submit registrations as soon as possible.

Regarding the different parts of the question raised by the Hon Shiu, my responses are as follows:

(1) Starting from July 6, 2020, we have been gradually disbursing \$10,000 to

eligible persons who have registered successfully. As at January 21 this year, the Scheme has disbursed about \$64 billion to some 6.4 million people, accounting for more than 90 per cent of the total number of eligible people.

In order to implement the Cash Payout Scheme, we have to implement a series of administrative arrangements, including setting up a Secretariat, developing the required computer systems and other ancillary facilities in relevant departments, paying service fees to supporting organisations, setting up an enquiry hotline and conducting promotional activities, etc. According to the latest estimation, the total administrative expenditure for implementing the Scheme is about \$306 million, accounting for around 0.4 per cent of the total budget.

(2) As I have just said, the Cash Payout Scheme has disbursed a total of about \$64 billion so far. It is believed that the sum should have certain stimulating effect on consumption, and also spillover effect leading to demand for other services industries. In fact, the Scheme provides people with flexibility in using the money to suit their individual needs. At the same time, we notice that some sectors (including retail and catering industries) have responded to the appeal made by the Government by launching various promotional activities in mid-2020 together with the Cash Payout Scheme, so as to encourage people to increase local consumption.

However, due to the volatile local epidemic situation in the past year, the anti-epidemic measures have to be adjusted from time to time, thus affecting the implementation of these promotional activities and the consumption sentiment of the people. Nevertheless, we believe that even if only a portion of the funding disbursed has entered the market, it should be able to boost the Hong Kong economy to a certain extent.

(3) In order to mitigate the impact of the epidemic on different sectors of the society, the Government has provided in the past year more than \$300 billion of relief measures on various fronts through the 2020-21 Budget and the Anti-epidemic Fund to help the people and businesses which have been seriously impacted by the epidemic and affected by the Government's anti-epidemic measures. We will continue to perfect the anti-epidemic work in order to effectively control the epidemic and re-open the border as early as possible, so that the people and all business sectors can resume normal activities as soon as possible, and at the same time make preparation for the recovery and development of the economy after the epidemic.

We are now conducting consultation for the 2021-22 Budget. Among the views gathered, some people think that the Government may consider distributing consumption vouchers in order to help stimulate the local economy.

There are different factors that need to be considered in determining whether or not to issue consumption vouchers. They include the preparation time required, administrative arrangements (e.g. defining the coverage and method of use, setting up relevant electronic systems and monitoring mechanism, etc.), the benefits to society, and the financial implication to

the Government, etc. We are also aware of the experience in the implementation of consumption vouchers in different places of the world. For example, Beijing, Macao, Japan, Singapore and Taiwan, etc. have issued consumption vouchers to their eligible people, but the arrangements in different places are not exactly the same. The consumption vouchers have different validity periods. Some of them may be used to purchase regular products and services, while others may only be used to purchase certain specific products. As these schemes have either just been completed or are still in progress, their effect on stimulating the local economy has yet to be seen.

When formulating any fiscal measure, apart from considering the expected effectiveness of the measure, we also need to take into account the long-term financial situation. At the beginning of last year, we estimated that the deficit of this financial year would be \$139.1 billion. However, because of the implementation of rounds of relief measures to tackle the epidemic, the estimated deficit has surged to \$300 billion. The fiscal reserve of the Government has also reduced by nearly 30 per cent to some \$800 billion within one year, which is equivalent to 12 to 13 months' Government expenditure. Facing the unclear internal and external economic environment, we must exercise fiscal prudence and make an overall and balanced consideration on any proposed measure. We also need to preserve our fiscal solvency to cater for any unexpected needs.

We will continue to monitor closely the epidemic development and economic condition, and will listen to the views from different parties, including all members of the Legislative Council.

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## LCQ10: Locally produced face masks

Following is a question by the Hon Chan Han-pan and a written reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (January 27):

Question:

It has been reported that there are more than 200 local manufacturers producing a large quantity of face masks (masks) every day, resulting in an oversupply situation. Currently, there are about 50 million masks in the market the sale of which is sluggish. Regarding locally produced masks, will the Government inform this Council:

(1) whether it knows, in respect of the manufacturers subsidised under the Local Mask Production Subsidy Scheme, (i) the volume of masks produced by them in each of the past three months and (ii) their current stock of masks (set out by name of manufacturer in a table); whether the Government has

procured masks from other local manufacturers; if so, of the details; if not, the reasons for that, and whether it will consider doing so;

(2) whether it knows the current number of local manufacturers the masks produced by which meet the requirements of the American Society for Testing and Materials F2100 Level 1 to Level 3 Standards or similar international standards, and set out, by name of manufacturer, (i) the volume of masks produced by them in each of the past three months and (ii) their current stock of masks; and

(3) whether it will consider helping the mask manufacturers mentioned in (2) to explore overseas markets, and taking this opportunity to invigorate the local manufacturing industry; if so, of the details and timetable; if not, the reasons for that?

Reply:

President,

In consultation with the Financial Services and the Treasury Bureau and the Innovation and Technology Bureau, our reply to the various parts of the question raised by the Hon Chan Han-pan is as follows:

(1) and (2) Under the Local Mask Production Subsidy Scheme (the Scheme), a subsidised production line may supply masks to the Government only after it has submitted to the Government a laboratory report from an accredited laboratory demonstrating that the masks produced comply with the American Society for Testing and Materials (ASTM) F2100 Level 1 standard or above. The 20 production lines under the Scheme have already obtained such certification, and have been supplying masks to the Government since mid-2020.

In the months of October, November and December 2020, the 20 production lines under the Scheme delivered 35 016 500, 42 129 900, and 40 308 200 masks to the Government respectively. Relevant information has been uploaded to the website of the Hong Kong Productivity Council ([u.hkpc.org/mask](http://u.hkpc.org/mask)) and will be updated monthly.

After supplying the Government with two million masks in a month, a subsidised production line may decide on the disposal arrangements for the remaining masks it produces, which may include, for example, distributing them to employees for personal use, selling or donating them to individual organisations, and selling them through the local retail market. However, under no circumstances can the masks be exported.

Currently, locally produced masks supplied to the Government Logistics Department (GLD) include those manufactured by the Correctional Services Department as well as those procured under the Scheme. Since the production lines under the Scheme have started to supply masks to the Government, the GLD has not additionally procured other regular-sized masks. Yet, the GLD

awarded a contract of 1.18 million small-sized masks to a local mask manufacturer in September 2020.

(3) The Government has been actively promoting 're-industrialisation' in recent years to develop advanced manufacturing industries that are based on new technologies and smart production whilst do not require much land so as to stimulate the demand for research and development, identify new growth points for Hong Kong's economic development, create quality jobs, and raise Hong Kong's competitiveness. The Government has been fostering favourable conditions for 're-industrialisation' through the provision of infrastructural, talent, technological and financial support.

On market expansion, the Government has been assisting small and medium enterprises (SMEs) in developing markets outside Hong Kong and conducting export promotion activities through different funding schemes, including the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund) and the SME Export Marketing Fund (EMF). The current-term Government has already made a number of enhancements to these two schemes, including substantially increasing the funding ceiling per enterprise (from \$500,000 to \$4 million for the BUD Fund; from \$200,000 to \$800,000 for the EMF), and extending the geographical coverage of the BUD Fund from the Mainland to currently 20 economies with which Hong Kong has signed Free Trade Agreements. To further support enterprises in better promoting their businesses via online channels under the pandemic, we have since April 2020 expanded the coverage of the two schemes to provide funding support for participation in virtual exhibitions organised by Government-related organisations or reputable exhibition organisers with good track records. The Government will continue to review the operation of the funding schemes, simplify application procedures and step up promotion to help enterprises make better use of Government funding schemes to explore export markets.

Through different channels, the Hong Kong Trade Development Council has also been promoting Hong Kong's products and services of different industries, including healthcare and anti-epidemic products, in order to facilitate local businesses explore overseas markets. Amongst others, 'hktdc.com Sourcing' provides an online sourcing and communication platform for global buyers and suppliers, while 'hktdc.com Small Orders' provides users with flexibility in order quantities, thereby helps suppliers increase brand exposure and enter new markets.

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## **LCQ7: Support measures for cross-boundary passenger service sector**

Following is a question by the Hon Lau Kwok-fan and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the

Legislative Council today (January 27):

Question:

To cope with the Coronavirus Disease 2019 epidemic, the Government has closed a number of land boundary control points one after another since February last year. As a result, the services of most cross-boundary passenger coaches travelling to and from the Mainland have been suspended, causing a drastic reduction in the income of the cross-boundary passenger service sector, and most drivers have been idle for almost a year. However, the various rounds of relief measures rolled out by the Government under the Anti-epidemic Fund have not included any support measures specifically formulated for the cross-boundary passenger service sector. In this connection, will the Government inform this Council:

- (1) whether it has grasped the extent to which the incomes of the operators and practitioners of cross-boundary passenger coach services have been affected by the epidemic, including the number of practitioners who have been idle for over 10 months;
- (2) whether it will expeditiously put forth gap-filling measures in support of the cross-boundary passenger service sector, such as providing a one-off living subsidy for eligible practitioners; if so, of the financial commitment and the expected number of beneficiaries; if not, the reasons for that;
- (3) whether it has explored measures to assist the cross-boundary passenger service sector in generating income amid the epidemic, such as hiring cross-boundary passenger coaches to take inbound travellers from the various boundary control points to the designated hotels for quarantine; and
- (4) whether it will review the existing mechanism for formulating relief measures, so as to ensure that it will not leave out any industries which have been affected by the epidemic and are in real and urgent need of support?

Reply:

President,

Our consolidated reply to the Hon Lau Kwok-fan's question is as follows:

There are about 1 500 cross-boundary coaches (CBCs) (including port shuttle buses) with over 1 000 Hong Kong drivers in the CBC passenger service trade. We understand that the ongoing epidemic is seriously affecting the livelihood of these operators and drivers. In this regard, the Government has launched various measures under the first to third rounds of the Anti-epidemic Fund to ease the pressure on the trade and its employees, which include providing a total of \$65,000 non-accountable subsidy for each CBC and a total of \$16,700 subsidy for each local CBC driver. Furthermore, the Employment Support Scheme launched by the Government, which provided subsidies to eligible employers for paying wages of their employees for six

months, should have helped alleviate the financial burden of eligible employers in the cross-boundary passenger transport trade and retain their employees. These operators are also provided with rent waiver for facilities such as ticket offices, regulator kiosks and passenger waiting halls in government premises until March 31, 2021. Besides, a piece of land within the Shenzhen Bay Port, which can accommodate about 130 CBCs, has been arranged for exclusive use by the trade as temporary parking spaces of idle CBCs for free. In addition to the above measures, the 2020 Policy Address has announced that the Government would roll out additional relief measures amounting to nearly \$600 million for the tourism industry. The beneficiaries would include drivers of CBCs which mainly serve tourists.

The Government understands the wish of the trade to resume the operation of CBCs as soon as possible. However, considering that passenger clearance services are provided only at the two land-based boundary control points (BCPs) at Shenzhen Bay Port and Hong Kong-Zhuhai-Macao Bridge Hong Kong Port for the time being and the cross-boundary passenger flow remains low, coupled with the fact that currently there is sufficient supply of connecting local transport services at the two BCPs, we have reservation on the operating effectiveness of providing the relevant services by CBCs.

The Government understands the predicament faced by the trade at present, and has taken note of the trade's views on further support measures. The Government will continue to study and formulate policies and initiatives pertinent to the cross-boundary passenger transport services and proactively render necessary assistance to the trade, which includes facilitating the resumption of operation of CBC services as early as practicable when governments of Guangdong and Hong Kong gradually resume passenger clearance services at land-based BCPs. The Anti-epidemic Fund Steering Committee will, having regard to the development of the epidemic, views from various industry stakeholders and their actual business situation, continue to optimise the remaining balance of the Anti-epidemic Fund based on the proposals put forth by the relevant bureaux/departments to provide support and assistance.

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## **LCQ16: Relief measures**

Following is a question by the Hon Paul Tse and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (January 27):

Question:

The latest unemployment rate announced by the Government has hit a record high in 16 years. A member of the public called in complaining to me in tears that he had been unemployed for more than half a year, and with little savings left and no way to borrow money, he could not buy additional

warm clothes for his children in the harsh winter. His only remaining assets were the accrued benefits in his Mandatory Provident Fund (MPF) account (accrued benefits), but the authorities had refused to allow members of the public to make early withdrawal of their accrued benefits, rendering him unable to help himself. He denounced in anger that the Government's attitude was like what is depicted by the saying that "behind the vermilion gates of the rich meat and wine are left to rot, while out on the streets lie the bones of the poor who have frozen to death", which seriously reduces the room for survival of the grassroots. On the other hand, it has been reported that the Government Disciplined Services General Union and the Hong Kong Civil Servants General Union have in recent days, on the grounds that "civil servants have not been able to benefit from the Government's anti-epidemic measures", and "quite a number of grass-roots civil servants are facing financial pressure because their spouses and family members have become unemployed", jointly sent a letter to the Financial Secretary (FS), requesting him to propose in the Budget to be published next month a measure of offering civil servants additional salaries tax concessions, so as to "boost the morale of civil servants and help the economy". In this connection, will the Government inform this Council:

(1) whether it has assessed if the demand raised by the aforesaid unions is fully justified;

(2) as even civil servants who have employment protection can be under financial pressure because their family members have become unemployed, whether the Government will immediately assess if, in the face of the same epidemic situation, the financial pressure borne by employees of private enterprises who have no employment protection is much greater than that borne by civil servants, and if the financial "pain" referred to by the FS which is being felt by such employees is much more severe and pressing than that being felt by civil servants;

(3) as I urged the Government time and again in the past that in the light of the unprecedented economic blow dealt to members of the public during the epidemic, it should waive the payment of or substantially reduce the salaries tax payable by them and waive the payment of provisional tax, but the Government stated every time in its replies that members of the public who had difficulties in paying tax might, by providing to the Inland Revenue Department their estimated income/the causes for the reduction of income with relevant information, apply for the holding over of payment of part or the whole of the tax, whether the Government will maintain the same stance in responding to the demand of the aforesaid unions;

(4) as quite a number of members of the public criticised after noting the Government's response mentioned in (3) that the officials concerned were "indifferent and apathetic", "detached from reality" and "ignorant about people's hardships" and only knew "playing with bureaucratic rhetoric", whether the Government will adopt a more pragmatic attitude to assess if the employers and employees of private organisations as well as small and medium enterprises have more pressing needs for being granted tax concessions (especially a waiver of payment of provisional tax);



(5) whether it has assessed if allowing employees to make early withdrawal of part of their accrued benefits will substantively, in a timely manner and effectively alleviate the financial pain being felt by those who have been unemployed for many months, have suffered pay cuts and have been forced to take no pay leave, as well as benefit members of the aforesaid unions that have requested for additional salaries tax concessions, thereby truly "boosting the morale of civil servants and bolstering public confidence" and "helping the economy and allaying public anger"; if it has assessed, of the details; if not, whether it will immediately make such an assessment; and

(6) as the aforesaid unions have mentioned that "the consumption desire of civil servants is theoretically stronger than that of anyone else", and "for every additional dollar spent by the Government on civil servants, the effectiveness for spurring economic growth that can be achieved will be the greatest", whether the Government has assessed, on the basis that the current average amount of accrued benefits of each MPF scheme member is around \$220,000, how much money may be injected into the Hong Kong economy and how much growth can be brought instantly by allowing MPF scheme members to withdraw no more than half of their accrued benefits, and if the relevant growth would be higher than that to be brought by offering tax concessions to civil servants alone?

Reply:

President,

With a view to helping hard-hit business sectors and individuals tide over the difficult times amidst the economic downturn and the coronavirus disease 2019 epidemic, the Government has introduced a series of relief measures amounting to over \$300 billion since early 2020 through the 2020-21 Budget and the four rounds of injections into the Anti-epidemic Fund. These relief measures address society's needs while at the same time take into account Government's overall fiscal position.

Having consulted the relevant policy bureaux, my consolidated response to the Member's question is set out below:

On Parts (1) to (4) of the Question

To relieve the financial burden of the public, the 2020-21 Budget has provided one-off reduction of salaries tax and tax under personal assessment by 100 per cent for the year of assessment (YA) 2019/20, subject to a ceiling of \$20,000 per case. The measure benefits about 1.95 million taxpayers and reduces their tax liabilities by a total of about \$18.8 billion. About 1.32 million of the taxpayers do not have to pay tax for the YA concerned.

Furthermore, individuals in need may also apply for holding over of provisional tax, payment by instalments, and waiver of surcharges for instalment settlement of demand notes for the YA 2019/20. These measures are all targeted to support taxpayers to cope with their financial difficulties.

We understand that all business sectors are suffering different degrees

of impact as a result of the economic downturn and the persistent epidemic. The economy and the community are also facing immense pressure from the ongoing infection control measures, with many businesses struggling to survive and employees hoping to hold on to their jobs and riding out the economic turbulence. We fully recognise the diverse expectations of the public for government relief measures. Through the ongoing public consultation exercise for the 2021-22 Budget, we will gather and examine opinions from all sectors of society. When assessing any proposals, the Government will take into consideration a range of factors, including the overall economic situation, the Government's fiscal position, and the needs of the community.

On Parts (5) and (6) of the Question

As explained by us at various meetings of the Legislative Council (LegCo), early withdrawal of Mandatory Provident Fund (MPF) accrued benefits will undermine the integrity of the MPF System as a long-term and steady retirement saving scheme for accumulation of benefits and value growth. We understand the good intention of the proposal. However, pursuing the proposal will not only reduce the retirement protection of employees, but also provide limited support and cannot address the fundamental plight of the economy and unemployment currently facing employees and employers. After analysing and weighing carefully the relevant proposal and its long-term implications, the Government considers it not appropriate to implement the proposal at this stage.

To give more targeted support for the unemployed and their families who face immediate economic difficulties, the Government has launched the "Special Scheme of Assistance to the Unemployed" under the Comprehensive Social Security Assistance (CSSA) Scheme to temporarily relax the asset limits for able-bodied persons by 100 per cent from June 1, 2020 to May 31, 2021. To render further assistance to the unemployed, the Government sought the approval from the LegCo Finance Committee on January 15 to implement another time-limited new arrangement under the special scheme for six months from April 1 to 30 September this year. Specifically, the cash value of insurance policies of able-bodied CSSA applicants will not be counted as assets during the grace period of one year, thereby providing assistance to more unemployed persons facing economic hardship.

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## **LCQ11: Inspection of drainage pipes**

Following is a question by the Hon Kwok Wai-keung and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (January 27):

Question:

In October last year, the Hong Kong Housing Authority (HA) commenced the Drainage Inspection Programme (DIP) to inspect the above-ground communal drainage pipes of its 1 575 public rental housing (PRH) blocks. The Housing Department (HD) set up a supplementary task force (task force) comprising 87 staff members to carry out the relevant work, and anticipated that the whole programme would take 18 months to complete. It has been reported that since the outbreak of the Coronavirus Disease 2019 (COVID-19) epidemic, multiple confirmed cases have been found in a number of buildings, and some of such cases involved flats on different floors but facing the same direction, and COVID-19 virus has been detected in the sewage of some PRH blocks. As such, members of the public are very worried about the epidemic spreading through the sewerage systems of buildings. In this connection, will the Government inform this Council:

- (1) whether HD will increase the manpower of the task force so as to expeditiously complete DIP;
- (2) of the latest progress of DIP, including the up-to-date numbers of PRH blocks and flats identified to have the problem of sewage pipe leakage;
- (3) as HA has indicated that it will accord priority to inspecting the drainage pipes of those housing estates or blocks with COVID-19 confirmed cases, and the order of inspection of other housing estates will depend on factors such as the percentage of the number of their elderly tenants in the total number of tenants, as well as the age of the blocks and their drainage leakage/backflow records, whether HA will expeditiously release the inspection timetable of the various housing estates/blocks, so as to enhance transparency;
- (4) given that among the blocks covered by DIP, 975 blocks (involving 410 000 flats) have the main drainage stacks located inside the flats, whether the staff members of the task force will enter all such flats to conduct inspection; whether the scope of the inspection and repair works covers the connection pipes between the main drainage stacks and the toilets inside the flats; and
- (5) given that the Government engaged consultancy firms last year to proactively inspect the external drainage pipes of the private residential or composite buildings (including subsidized sale housing blocks) exceeding three storeys in height across the territory, in order to reduce the risk of the epidemic spreading, of the latest progress of the relevant work?

Reply:

President,

Having consulted the Development Bureau, my reply to the question raised by the Hon Kwok Wai-keung is as follows:

- (1) The Hong Kong Housing Authority (HA) has been paying much importance to

the conditions of environmental hygiene and drainage pipes of its public rental housing (PRH) estates. In complementing the Government's efforts in fighting the pandemic, HA has stepped up cleaning and disinfection work at common areas and public facilities in housing estates. Technical staff has also been arranged to inspect the drainage facilities of PRH units which share the same drainage system with units with confirmed cases. HA has also allocated additional resources for carrying out drainage inspection works under its existing "Responsive In-flat Maintenance Services" and "Total Maintenance Scheme".

Furthermore, HA launched the "Drainage Inspection Programme" on October 28, 2020 and set up a dedicated inspection task force with additional manpower to implement the programme. During the proactive inspection of drain pipes, HA will carry out appropriate repairs as necessary. The entire programme is expected to be completed within 18 months. The programme involves a large number of PRH units, HA, on one hand, needs to make arrangements with tenants to enter their units for inspection and, on the other, carry out appropriate repairs, hence HA will, depending on the actual need, deploy additional resources to implement the programme with a view to completing the relevant programme as soon as possible.

(2) As at end-December 2020, HA has already carried out detailed inspection of drainage pipes of about 100 000 PRH units. The drainage pipes of over 90 per cent of these units are in satisfactory conditions. Appropriate repair works have been conducted for the remaining ones as necessary. Most cases requiring repair works involve tenants who have made their own alterations to the water closets.

Besides, HA has commenced drainage inspection and repair works in early-January 2021 on 34 PRH blocks that had been subject to compulsory testing. The relevant work is expected to be completed by January 30, 2021.

(3) As for other PRH blocks, HA prioritises the inspection of its PRH units with regard to the conditions of drainage pipes found from the preliminary inspections, maintenance records, percentage of elderly households and the age of housing estates or buildings, etc. Priority is given to drainage pipes in housing estates with confirmed cases. HA will provide the Estate Management Advisory Committee with information regarding the drainage pipe inspection and repair works.

(4) Regarding the situation that some PRH units under the Drainage Inspection Programme have their main drainage pipes installed inside the units, staff of HA's inspection task force will enter the units to inspect the connections to the communal drainage pipes and conduct repair works as necessary.

(5) For private domestic buildings, the Government has earlier launched a 24-month special measure through the second round of the Anti-epidemic Fund to inspect the external drainage systems of buildings (the inspection scheme). Under the inspection scheme, consultants engaged by the Buildings Department (BD) will proactively inspect the external drainage systems of around 20 000 private residential or composite buildings exceeding three storeys in height across the territory. If the relevant drainage systems are found to be

defective upon inspection, BD may serve orders under the Buildings Ordinance (BO) (Chapter 123 of the Laws of Hong Kong) to the owners concerned requiring them to arrange necessary further investigations and/or repairs.

To step up public education and publicity, when inspecting the external drainage systems of buildings, staff of BD's consultants will also dispatch relevant materials to owners or occupiers. The consultants will also provide telephone enquiry services to owners.

The inspection scheme has been implemented since June last year. It is expected that the inspection of around 20 000 targeted buildings will be completed in the first quarter of 2022, and the related follow-up actions be completed in the six months after that. As of end-2020, BD's consultants have inspected about 2 500 buildings. Defects at external drainage pipes, including leaking or broken drainage pipes, mis-connection of drainage pipes, etc., were found in some buildings. BD is now reviewing the consultants' reports and will take appropriate actions under the BO depending on the circumstances of the case, including issuing drainage repair orders requiring owners concerned to carry out the necessary repair works.

For the about 950 subsidised sale flats (SSF) buildings developed by HA, they are subject to control under the BO by the Independent Checking Unit (ICU) of the Transport and Housing Bureau according to the authority delegated by the Building Authority (i.e. the Director of Buildings). ICU has been inspecting the communal drainage systems at the external walls of these SSF buildings in line with BD's inspection scheme. It is anticipated that the relevant work will be completed in the first quarter of 2022. For any drainage pipes or ventilating pipes found to be damaged or defective during the inspection, ICU will issue advisory letters or drainage repair orders to the concerned owners or Incorporated Owners, requiring them to arrange inspections and repairs by qualified contractors as soon as possible. As at end-2020, ICU had inspected 107 buildings and the conditions were generally satisfactory.