

**(Information Paper)**

**Progress Report of the 15th Meeting of  
the Kowloon City District Council**

**Purpose**

This paper aims to report on the major issues discussed at the 15th meeting of the Kowloon City District Council (KCDC) on 16 March 2006.

**Development of the Mandatory Provident Fund System**

2. Members were generally satisfied with the Mandatory Provident Fund (MPF) system and welcomed the Mandatory Provident Fund Schemes Authority's (MPFSA) plan to step up publicity of the MPF system and educate the public on MPF investment. To further improve the operations of the MPF system, Members made the following recommendations:

- (1) To allow employees to choose the trustees to manage their MPF schemes instead of the current practice of giving employers sole discretion to choose the trustees ;
- (2) To take into account incomes such as tips, bonuses and commissions, in addition to basic salaries, when calculating MPF contributions;
- (3) To make public MPFSA's internal data on the performance of the 19 trustees under appraisal to enable contributors to make objective assessment of their performance;
- (4) To step up publicity and prosecution to encourage self-employed people to join MPF schemes, in view of the fact that their current participation rate of slightly over 70% was far lower than those of other employers and employees, which was over 90%; and
- (5) To establish closer ties between the MPFSA and the trustees so that the MPFSA could take timely action upon receiving reports from the trustees on some employers not making their

scheduled contributions under their MPF schemes for a prolonged period of time.

The MPFSA noted the above recommendations and undertook to refer them and other proposals to the Administration for consideration at policy level, including the proposals for introducing a community-wide retirement protection scheme, setting up different income groups with different contribution ratios, and adjusting the minimum income level for MPF contribution.

### **Issues Concerning the Kowloon Tong Outline Zoning Plan - Approved Plan and Maximum Heights of Buildings**

3. Members remarked on the undesirable appearance of high rise buildings in low-density areas in Kowloon Tong. They were pleased that the Planning Department (PlanD), in view of the problem, had laid down maximum heights for various types of buildings when changing the land use in the Kowloon Tong Outline Zoning Plan, so as to bring the future development of these areas in line with the overall planning concept and to maintain the distinctive feature of low-density housing in the Kowloon Tong area. With regard to a few planning details, Members urged the PlanD to consider the area as a whole and not to impose different height restrictions on adjacent buildings on the same street. Furthermore, Members suggested that height restrictions should be imposed on other neighbouring areas as well, so that the Kowloon Tong area would not turn into a basin surrounded by high rise buildings.

### **The Way Forward for Hong Kong's Electricity Market**

4. The Economic Development and Labour Bureau (EDLB) briefed Members on the Future Development of the Electricity Market in Hong Kong Stage II Consultation Paper. The EDLB pointed out that public views differed on whether the electricity companies should reap profits from pollution-reducing facilities. Some opined that a certain return on investment in these facilities should be allowed to encourage the electricity companies to make such investments. With this incentive, the electricity companies would not resort to the passive way of reducing pollution by

simply suspending the operation of power plants at intervals, which might eventually undermine the stability of electricity supply. Considering this view and the “polluter pays” principle, the Government proposed to allow a certain return on investment in pollution-reducing facilities, but at a lower rate of 7%. As regards profit control, the total amount, rather than the current some 50%, of investments in power facilities for which there was no immediate demand would be deducted from the base when calculating returns. It was believed that the new arrangement would satisfactorily respond to public calls for monitoring the investments of the two electricity companies. The EDLB agreed with Members’ views that the electricity market in Hong Kong should be opened up further. However, since there remained a great deal of uncertainty as to whether electricity companies in the Mainland had the capacity to provide stable electricity supply to Hong Kong in large quantities, priority should be given to opening up grid access to new suppliers in future, enhancing electricity networking between Hong Kong and Guangdong Province and introducing proper regulation.

#### **Curbing the Spread of Avian Influenza by House Crows in the Community**

5. Members were briefed by the Agriculture, Fisheries and Conservation Department (AFCD), Leisure and Cultural Services Department (LCSD) and the Housing Department (HD) on their respective work on handling and catching house crows and wild birds. The AFCD told the meeting that it had been providing round-the-clock service to collect bird carcasses since October 2005. Under the new initiative, a total of 6,000 bird carcasses had been collected, of which a dozen carried the H5N1 virus. Given that the infection rate was more or less the same as the previous one, i.e. 0.5%, there was no evidence to suggest that the risk of avian influenza in Hong Kong was increasing substantially. As to the problem of house crows, the AFCD had taken steps to control their number as early as 2003. In addition to using bird traps and collecting unhatched eggs and newly hatched birds from nests, the AFCD also currently used decoys to catch house crows. It was estimated that the number of house crows was controlled at 250. The LCSD and HD undertook to maintain close co-operation with the AFCD and send to them for examination bird

carcasses once found and cleared up by their staff in accordance with the safety codes. Moreover, the two departments would step up publicity in places under their management, urging the public not to feed birds and to wash their hands immediately after touching birds. The HD added that it had also installed bird traps in Lai On Estate and Lai Kok Estate in Sham Shui Po where house crows gathered in an attempt to reduce their number.

6. Having been briefed by the three departments on their work on curbing the spread of birds, Members put the motion tabled to a vote. The following amended motion moved at the meeting was passed by a vote of 13 to 2, with 2 abstentions:

“In view of the fact that house crows in Hong Kong were found to carry the H5N1 virus, the KCDC urges the Government to allocate more resources and take measures to step up publicity so as to safeguard the health of the public.”

Kowloon City District Office  
April 2006