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\$1.3b approved for toxic waste plant

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LEGISLATORS yesterday endorsed a government plan to build a \$1.3-billion treatment centre to handle the 100,000 tonnes of potentially dangerous liquid chemical waste generated by industry each year.

The Legislative Council's finance committee was told that the fees payable to the concessionaire during the 15-year operating period would total \$3.3 billion.

Officials were optimistic that the construction and operation costs could be recovered from users.

But councillor Mr Peter Wong Hong-yuen voted against the proposal because he was worried that the costs could not be fully recovered. Mr Ronald Arculki abstained.

Councillors said they were worried that users might withdraw from the scheme because of high costs.

However, they were told a chemical waste treatment plant was urgently needed because flammable and toxic waste was being dumped carelessly.

The chemical wastes also caused damage to drainage and sewage systems.

The authorities are also

obliged under the International Convention for the Prevention of Pollution from Ships to provide reception facilities for oily and noxious wastes.

The company awarded the contract will be required not only to build the plant but also to collect and transport chemical waste to the centre for treatment.

The centre will also handle oily and noxious wastes from ships.

A sum of \$18 million will be paid to a consultant to supervise the construction and the initial operation of the project.

The councillors rejected another proposal to spend an extra \$2.9 million on top of \$5 million already approved for a consultancy study of the development of chemical processing industries in Hongkong.

They complained that the data offered to them were inadequate to justify the increase.

Meanwhile, the committee agreed to add \$98 million to the amount set aside for *ex gratia* compensation payments to livestock farmers affected by the Government's 10-year livestock waste control programme, which ends in 1996-97.

The original figure of \$541 million approved last year was increased to \$639 million.

The revised formula was based on the number of livestock structures recorded in the 1987 territory-wide survey, to be multiplied by the average amount of *ex gratia* allowances actually paid for each structure so far compensated.

The new amount of *ex gratia* allowances to livestock farmers up to the current financial year will total \$236 million.

The Government noted that there had been a growing number of large farm operators in the control areas who had agreed to cease business and claim *ex gratia* allowances.

They accounted for about half of the major farms in the control zone.

Officials said the funds approved earlier for *ex gratia* allowances were insufficient to pay for the additional number of farms that were likely to cease business in 1990-91.

Councillor Mr Andrew Wong Wang-fat, however, remained unconvinced and voted against the Government's request for extra funds.