

For the meeting  
on 8 November 2002

**Legislative Council**  
**Panel on Planning, Lands and Works**

**The Work Plans of the Capital Works Programme**

**The Work Plans - Overview**

The Government's Capital Works Programme (CWP) is to serve the community's needs for infrastructure. To sustain Hong Kong's position as a world city in Asia, we have invested substantially in our capital works projects over the years. Our goal is to sustain the momentum of infrastructural development in the years ahead.

2. To this end, the Environmental, Transport and Works Bureau sets the policies on the delivery of public works and ensures that our projects are implemented safely, timely and cost-effectively.

3. Our delivery agents consist of the works departments who plan and manage the projects. We will critically review our procedures to ensure that the works departments deliver the projects efficiently and act under a high degree of accountability. Apart from works departments, we will work hand in hand with our procuring partners in the construction industry which consist of consultants, contractors and workers. We will hear their views and take the lead in the setting of work standards and good practices for the construction industry.

4. The Government has set up the Provisional Construction Industry Coordination Board which is an important focal point pooling together efforts in rolling out a vast change programme and in nurturing a new culture for the construction industry. We will work closely with the Board to discuss policy issues in the forum and take forward the actions required.

## **Investment and Opportunities**

5. The Government spent an average of about \$27 billion per annum in the past five years. For the coming five years, we target to spend around \$147 billion which means an average of more than \$29 billion per year. Under a deflationary trend in construction prices in recent years, the increased investment will imply that we can implement a lot more projects and help create more employment opportunities for the construction sector.

6. In the past few years, the CWP required about 35 000 to 37 000 man-years in terms of manual labour per year. Under our spending programme of \$147 billion for the coming five years, we require initially about 40 000 man-years of manual labour in the current financial year and will progressively increase the requirement to 44 000 man-years in 2004-2005. Apart from manual labour, we require additionally about 4 000 man-years of professional and technical staff per year for the planning, design and supervision of the projects.

## **Major Projects**

7. In the ensuing paragraphs, we will set out some of the examples of major projects and our target implementation programmes for Members' information.

## **Architectural Services Department**

8. The Architectural Services Department is conducting a prequalification exercise for a design and build contract for the Central Government Complex, Legislative Council Complex, Exhibition Gallery and Civic Place at the Tamar site. At the moment, we are drawing up the requirements for this mega building project. We target to commence the construction works for this project in 2004 for completion of it in 2007.

9. The planning and design of some capital works initiatives for enhancing Hong Kong's tourist attractions are underway. Among them, the Phase II of the International Wetland Park and Visitor Centre at Tin Shui Wai, at an estimated cost of \$460 million, will commence construction at the end of this year for completion in 2005. The Tsim Sha Tsui promenade beautification project, at an estimated cost of \$240 million,

will commence construction in early 2003 for completion in 2005.

10. Our new school programme is proceeding well. At the moment, we are targeting to complete 13 primary schools, 12 secondary schools and one special school in 2003. Under the School Improvement Programme at a total cost of \$18 billion and split into five phases for implementation, we have already completed the improvement works to 379 schools under phases I to IV of the Programme. Improvement works to another 179 schools are being carried out under phases IV and V. In addition, we have completed feasibility studies for a further 191 schools and will commence the improvement works to these schools in the coming year.

### **Civil Engineering Department**

11. The Civil Engineering Department (CED) is pushing ahead the Penny's Bay reclamation and infrastructure project which will support the development of the Disney theme park. The project is in good progress. To prepare for the potential theme park expansion in the future and take the opportunity in providing a much-needed outlet for public fill, we will award a contract for stage 2 reclamation at Penny's Bay in early 2003 for completion of the works in 2008.

12. CED is planning two major site formation projects for housing development at Anderson Road and Cha Kwo Ling. The two projects, at a total cost of about \$2.4 billion, have been scheduled for commencement of construction works in 2003 and 2004 respectively.

13. As some of the existing public piers are aged, we have scheduled a project for the reconstruction of these piers. We will start public consultation on the proposals next year and plan for commencing the reconstruction works in 2004.

### **Drainage Services Department**

14. The Drainage Services Department is implementing a series of major drainage projects, at a total cost of \$19 billion, to alleviate flooding. So far, we have completed about \$5 billion of the works. In the Northern and Northwest New Territories, we have completed the lower reaches of the major river channels and are working at the middle and upper

catchments. We commenced the stage III works of the Shenzhen River regulation in December 2001 and expect to complete the project in 2005. In the urban area, we are making good progress in implementing the West Kowloon drainage improvement project and expect to complete the Tai Hang Tung storage scheme and the Kai Tak transfer scheme in 2004.

15. Implementation of comprehensive sewerage improvement programmes under the Harbour Area Treatment Scheme (HATS) and the Sewerage Master Plans (SMPs) is underway. We forecast to spend about \$6 billion on these programmes in the coming five years. With the commissioning of the stage 1 of the HATS in 2001, we are carrying out a series of studies with a view to determining the way forward for its further stages. Under the SMPs, we are carrying out sewerage improvement works in various districts. The major upgrading works to the Sha Tin Sewage Treatment Plant and the Siu Ho Wan Sewage Treatment Plant are in good progress.

### **Environment Protection Department**

16. The Environmental Protection Department is planning a Recovery Park at Tuen Mun, for commencing operation in 2005, which will provide land for use by the local recycling trade in the long term. When fully commissioned, the Park will provide the facilities to recover 440 000 tonnes of recyclable waste each year resulting in a saving of \$55 million in the disposal cost.

### **Highways Department**

17. The Highways Department (HyD) is resolving public objections to the Southern Section of Route 10 with view to seeking authorization of the project in due course. Apart from this major project, we are carrying out the detailed design of the Shenzhen Western Corridor and the Deep Bay Link in a dual three-lane configuration to serve as the fourth road linkage between Hong Kong and the Mainland.

18. We are in the course of commencing the works contracts for the construction of Route 9. The first contract for the construction of the Ngong Shuen Chau Viaduct commenced in April 2002. Tenders for the other works contracts of Route 9 will be invited in stages in the coming

year with a view to completing the trunk road in 2007.

19. To support the operation of new rail projects, we will construct enabling works associated with the projects including the Sheung Shui to Lok Ma Chau Spur Line and the Sha Tin to Central Link.

### **Territory Development Department**

20. Several major territory development projects in the urban area and the New Territories are underway. In the urban area, the Territory Development Department (TDD) is inviting tenders for the Central Reclamation phase III contract which will provide land along the harbour front for the construction of the Central-Wan Chai Bypass. We have also commenced the detailed design for the Wan Chai development phase II project. The reclamation and infrastructure contracts are expected to commence in phases in 2004.

21. TDD is in the course of commencing the detailed design of the major infrastructure projects at South East Kowloon at a total construction cost of about \$16 billion. We expect to start the construction works in late 2003 with the first phase of infrastructure works to be completed in 2006.

22. In the New Territories, we will commence the construction of Road T3 at Sha Tin in early 2003 which serves to connect Route 9 and Tai Po Road. Some major flood protection projects, including the construction of the Tin Tsuen Channels at Yuen Long and the stage 2 works of the village flood protection scheme for Yuen Long, Kam Tin and Ngau Tam Mei, are under detailed design and will commence construction in mid 2003.

### **Water Supplies Department**

23. The Water Supplies Department (WSD) will continue the expansion of the water supply system to meet demands for water arising from new developments. As a few examples, we have programmed to extend our network to supply water for the South East Kowloon development, the housing developments at Anderson Road, Choi Wan Road and Jordan Valley and the proposed tourist attraction facilities at Ngong Ping.

24. For aged watermains which are subject to risks of bursting, we are pushing ahead with a programme for the replacement and rehabilitation of watermains at a project cost of \$2.4 billion. The first batch of contracts started in stages in 2001 and 2002. More major contracts will commence in the coming year. WSD has also planned to reconstruct some catchwaters and water tunnels at various locations on Hong Kong Island, Lantau Island and at Tai Lam Chung at a total project cost of more than \$400 million for improving the conditions of these catchwaters and tunnels and enhance the stability of adjoining slopes.

### **Implications of the Forthcoming Cut in Operating Expenditure**

25. The Financial Secretary has required Directors of Bureaux to achieve a saving of 1.8% in the operating expenditure on the existing and new or improved services as planned in 2003-04, and an additional saving of 1% each year from 2004-05 to 2006-07. We together with the departments under our purview, are still reviewing our work to decide how the savings are to be achieved. We will try to meet the target without compromising the quality of our services. Measures such as re-engineering of work processes and re-prioritizing of work items will be considered.

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**Environment, Transport and Works Bureau**  
**October 2002**