

立法會
Legislative Council

LC Paper No. CB(1)236/04-05
(These minutes have been seen
by the Administration)

Ref: CB1/PL/ES/1

Panel on Economic Services

**Minutes of meeting held on
Monday, 25 October 2004, at 10:45 am
in the Chamber of the Legislative Council Building**

Members present : Hon James TIEN Pei-chun, GBS, JP (Chairman)
Hon Abraham SHEK Lai-him, JP (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Dr Hon David LI Kwok-po, GBS, JP
Hon Fred LI Wah-ming, JP
Hon CHAN Kam-lam, JP
Hon SIN Chung-kai, JP
Hon Howard YOUNG, SBS, JP
Hon Miriam LAU Kin-yee, GBS, JP
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon WONG Ting-kwong, BBS
Hon Ronny TONG Ka-wah, SC
Hon CHIM Pui-chung
Hon KWONG Chi-kin
Hon TAM Heung-man

Non-Panel Members : Dr Hon YEUNG Sum
attending Hon CHOY So-yuk
Hon Patrick LAU Sau-shing, SBS, JP

Members absent : Dr Hon LUI Ming-wah, JP
Hon LAU Chin-shek, JP

**Public Officers
attending** : **Agenda item IV**

Ms Sandra LEE
Permanent Secretary for Economic Development and
Labour (Economic Development)

Ms Miranda CHIU
Deputy Secretary for Economic Development and Labour
(Economic Development)

Mr Roger LAI
Director of Electrical & Mechanical Services

Agenda item V

Ms Sandra LEE
Permanent Secretary for Economic Development and
Labour (Economic Development)

Mr Wilson FUNG
Deputy Secretary for Economic Development and Labour
(Economic Development)

Mr Darryl CHAN
Principal Assistant Secretary for Economic Development
and Labour (Economic Development)

Agenda item VI

Mr Stephen IP
Secretary for Economic Development and Labour

Ms Sandra LEE
Permanent Secretary for Economic Development and
Labour (Economic Development)

Ms Eva CHENG
Commissioner for Tourism

Miss Patricia SO
Assistant Commissioner for Tourism

Mr Peter KWOK
Principal Assistant Secretary for Home Affairs (Culture)

Dr Louis NG
Executive Secretary (Antiquities & Monuments)
Leisure and Cultural Services Department

Attendance by invitation : **Agenda item IV**
The Hong Kong and China Gas Company Limited

Mr Alfred CHAN
Managing Director

Mr James KWAN
Executive Director and Chief Operating Officer

Mr Philip SIU
Senior Commercial Manager

Clerk in attendance : Mr Andy LAU
Chief Council Secretary (1)2

Staff in attendance : Ms Connie FUNG
Assistant Legal Adviser 3

Ms Debbie YAU
Senior Council Secretary (1)1

Miss Winnie CHENG
Legislative Assistant (1)5

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I Confirmation of minutes and matters arising
(LC Paper No. CB(1)69/04-05 - Minutes of meeting held on 12 October 2004)

The minutes of the meeting held on 12 October 2004 were confirmed.

II Information papers issued since last meeting
(LC Paper No. CB(1)15/04-05(01) - Tables and graphs showing the import and retail prices of major oil products from September 2002 to August 2004 furnished by the Census and Statistics Department)

2. Members noted the information paper issued since last meeting.

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III Items for discussion at the next meeting scheduled for 22 November 2004

- (LC Paper No. CB(1)71/04-05(01) - List of outstanding items for discussion
- LC Paper No. CB(1)106/04-05(05) - Letter from Hon Howard YOUNG
(*tabled and subsequently circulated to members on 26 October 2004*) on “Travel agents professional indemnity insurance and travel insurance”
- LC Paper No. CB(1)106/04-05(06) - Letter from Hon Fred LI requesting
(*tabled and subsequently circulated to members on 26 October 2004*) the Panel to follow-up on the recent traffic accident of a Hong Kong tour group to Taiwan)

3. Members agreed to discuss the following items as proposed by the Administration at the next meeting scheduled for 22 November 2004:

- (a) Progress update on Hong Kong Disneyland; and
- (b) Privatization of Airport Authority.

4. In view of wide public concern about a fatal traffic accident in Taiwan which involved some members of an outbound tour of Hong Kong, Mr Fred LI and Mr Howard YOUNG suggested and members agreed to follow up on the circumstances surrounding the incident and the necessary improvement measures to enhance the protection of outbound travellers, the adequacy of the present regulatory framework for travel agents, the coverage of professional indemnity insurance for travel agents, the mandatory requirement for outbound travellers to take out travel insurance, etc. at the forthcoming meeting to be held on 22 November 2004. Representatives of the Travel Industry Council should be invited to the meeting to brief members on the related issues.

5. Ms Miriam LAU suggested that an item on retail prices of oil products be included in the list of outstanding items for discussion by the Panel. Oil companies should be invited to attend the meeting. Mr Fred LI and Mr Ronny TONG supported the proposal and said that a special meeting could be convened to deal with the matter, if necessary. The Chairman remarked that as the subject matter was last discussed by the Panel on 31 May 2004, members could consider whether it was a right time for the Panel to follow up on the matter. After deliberation, members agreed to put the item in the list of outstanding items for discussion by the Panel. Oil companies might be invited to attend a close meeting to exchange views with members in turn.

IV Submission of the Hong Kong and China Gas Company Limited on planned use of natural gas as a feedstock for production of Towngas

- (LC Paper No. CB(1)71/04-05(02) - Information paper provided by the Administration
- LC Paper No. CB(1)106/04-05(01) - Powerpoint presentation material on
(*tabled and subsequently circulated*) “Planned use of natural gas as a

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to members on 26 October 2004) feedstock for production of Towngas” provided by the Hong Kong and China Gas Company Limited)

6. With the aid of PowerPoint presentation, Mr Alfred CHAN, Managing Director and Mr James KWAN, Executive Director and Chief Operating Officer of the Hong Kong and China Gas Company Limited (HKCG) briefed members on HKCG’s plan to introduce natural gas as a feedstock for production of town gas in 2006. They elaborated on their plan and implications for consumers.

Gas supply

7. Noting that HKCG had entered into a 25-year “take or pay” agreement with the Shenzhen Liquefied Natural Gas (LNG) Terminal, the Chairman was worried that such arrangement might result in wastage as in the case of Dongjiang water when the supply exceeded the demand. Sharing the Chairman’s view, Mr SIN Chung-kai cautioned that it might run further risk if the cooking mode changed within the next 25 years.

8. In response, Mr Alfred CHAN assured members that HKCG had taken into account the risk factor. He highlighted that the 25-year term contract could help ensure a steady supply of natural gas, hence, a reliable supply of town gas at reasonable prices to consumers which was the objective of the Government’s energy policy. To strike a balance between reliable supply and the risk of possible over-supply, HKCG had only committed to purchase about 60% of the annual total fuel needed by HKCG for gas production under the agreement. Such arrangement would allow flexibility for HKCG to act in accordance with market supply and demand and purchase more natural gas, if necessary.

9. Ir Dr Raymond HO expressed support for HKCG’s plan. In reply to his question on the quantity of natural gas supplied under the agreement, Mr Alfred CHAN advised that pursuant to the 25-year agreement, HKCG would purchase some 0.33 million tones of LNG per year from the Shenzhen (Phase 1) LNG Terminal. HKCG would consider in due course the need to increase the purchase quantity after Phase 2 of the Shenzhen LNG Terminal was commissioned. He pointed out that there was no question of exclusivity, HKCG could purchase additional quantity of natural gas from other suppliers. On whether the additional purchase volume would lead to economy of scale, Mr CHAN said that it would depend on the supply and demand of natural gas in the international market.

10. Members noted that the Shenzhen LNG Terminal would obtain LNG from an Australian supplier, re-gasify and deliver the natural gas to Hong Kong through the submarine pipelines linking the LNG Terminal with the Tai Po Gas Plant of HKCG. In this connection, Mr Fred LI and Ir Dr Raymond HO were concerned about the measures to be undertaken in case the Australian supplier or the LNG Terminal failed to supply natural gas to the required quantity during the 25-year period.

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11. In response, Mr Alfred CHAN assured members that emergency measures would be in place to meet any shortfall in the supply of natural gas. He said that HKCG would keep a constant stock of naphtha for the production of town gas that could last for thirty days. He also highlighted that it only took two hours to modify the production units at Tai Po Gas Plant from a dual feedstock mode to naphtha alone. In this regard, Mr James KWAN stressed that the Australian supplier had kept a good track record in supplying natural gas since its establishment in the 1980s. In fact, the Shenzhen LNG Terminal could obtain LNG from other sources and therefore it was able to maintain a reliable and stable supply.

12. In this connection, Mr SIN Chung-kai enquired if HKCG had signed any contract with the Australian supplier. He was also concerned about the party to be held liable in case there was a suspension of natural gas supply.

13. Mr Alfred CHAN explained that the Shenzhen LNG Terminal was a receiving terminal which would re-gasify the LNG supplied by the Australian company and deliver the natural gas to HKCG. In line with the usual international practice, the Shenzhen LNG Terminal had signed a back-to-back contract with the Australian supplier. Mr CHAN further advised that if any supplier failed to deliver LNG in accordance with the contract terms, HKCG and Shenzhen LNG Terminal together would make a litigation against the supplier.

14. In reply to Mr CHIM Pui-chung about the liability of the Government and its relationship with HKCG, the Permanent Secretary for Economic Development and Labour (Economic Development) (PS/EDL(ED)) stressed that HKCG was not a franchised gas provider and other providers were welcomed to supply gas as long as they complied with safety and other legislation. Moreover, the Government would not be held liable under HKCG's plan. She explained that pursuant to the Information and Consultation Agreement (ICA), the HKCG would provide and discuss with the Government details of the costs of the capital works involved.

15. Mr CHAN Kam-lam welcomed the proposal. He was concerned about the efficiency between LNG and naphtha in the production of town gas. Mr Alfred CHAN said that LNG and naphtha had the same degree of efficiency in terms of town gas production.

Gas tariff

16. Members noted that HKCG had indicated that under the 25-year term contract, prices should be more stable and, in the long run, cheaper than naphtha, especially when crude price stayed high. Mr Fred LI asked about the benefits, in terms of savings per month, for consumers.

17. Mr Alfred CHAN replied that HKCG would pass on any net savings from feedstock costs, after deducting the capital investment and the financial returns on the supply infrastructure and modifications to its gas production plants, onto consumers

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via the Fuel Cost Variation mechanism. On the level of net savings, Mr CHAN said that it would depend on the price of crude oil. He estimated that a 5 % and 10% savings could be achieved per month if price of crude oil was US\$35 and US\$45 per barrel respectively.

18. Mr Jeffrey LAM indicated his support for HKCG's plan. Given the fluctuation on the price of crude oil in the international market, he enquired if an additional charge would be attached to the freight charge for LNG due to a rise in the crude oil price. He was also concerned whether the contract entered with the Australian supplier was made in FOB prices or CIF prices.

19. In reply, Mr Alfred CHAN said that the freight charge for LNG had been specified in the 25-year contract and would only adjust in parallel to inflation. He also said that the contract was made in FOB prices.

Use of natural gas

20. Expressing appreciation on HKCG's plan, Mr WONG Ting-kwong recalled that the use of natural gas was promoted since 1990s but limited to electricity generation. He was concerned whether the Administration would consider introducing natural gas as a domestic fuel and provide the necessary infrastructure as in certain Mainland cities and towns.

21. PS/EDL(ED) advised that the use of natural gas as a feedstock would be new to Hong Kong. The Administration would monitor the situation to see if regular supply of natural gas at reasonable price could be sustained in considering whether it could be introduced as a domestic fuel at consumer level.

22. Ms Miriam LAU supported the plan as it would help lower the price of town gas. Noting that LNG could also be used as a fuel for vehicles, the cost of which could be one-third cheaper than auto liquefied petroleum gas, she requested the Administration to consider the option.

23. The Director of Electrical and Mechanical Services pointed out that the option would require the construction of new gas stations and pipelines. LNG would be delivered through designated pipelines to the stations, re-gasified under high pressure at the station before loading onto the vehicles. It was also necessary to evaluate the level of risk involved.

V Amendment to the Air Transport (Licensing of Air Services) Regulations
(LC Paper No. CB(1)71/04-05(03) - Information paper provided by the Administration)

24. At the invitation of the Chairman, the Deputy Secretary for Economic Development and Labour (Economic Development) briefed members on the proposal to amend regulation 4(6)(c) of the Air Transport (Licensing of Air Services)

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Regulations (Cap 448A) to empower the Air Transport Licensing Authority (ATLA) to establish its own procedures. He said this would provide a proper legal backing to all the procedures made by ATLA, thus removing any doubts over the credibility of Hong Kong's aviation licensing regime. Members noted that ATLA and the Aviation Advisory Board had been consulted and they supported the proposed amendment. Subject to the approval by the Chief Executive in Council, an amendment regulation would be tabled at the Legislative Council for negative vetting in due course.

25. Members noted that the proposal was originated from a subcommittee of the Council. Members did not raise any queries. The Chairman concluded that the Panel supported the proposal.

VI Heritage Tourism Development Project at the Central Police Station Compound

- (LC Paper No. CB(1)71/04-05(04) - Information paper provided by the Administration
- LC Paper No. CB(1)71/04-05(05) - Submission from the Central and Western District Council
- LC Paper No. CB(1)72/04-05 - Background brief on the proposed redevelopment of the Central Police Station Compound into a heritage tourism attraction prepared by the Secretariat
- LC Paper No. CB(1)106/04-05(02) - Powerpoint presentation material on heritage conservation requirements for the "Heritage tourism development project at the Central Police Station Compound" provided by the Administration
(tabled and subsequently circulated to members on 26 October 2004)
- LC Paper No. CB(1)106/04-05(03) - Submission from Action Group on Protection of the Central Police Station Historical Compound
(tabled and subsequently circulated to members on 26 October 2004)
- LC Paper No. CB(1)106/04-05(04) - Further submission from the Central & Western District Council on "Heritage Tourism Development Project at the Central Police Station Compound"
(tabled and subsequently circulated to members on 26 October 2004)

26. Members noted that a submission from Action Group on Protection of the Central Police Station Historical Compound and further submission from the Central & Western District Council on the subject were tabled at the meeting.

(Post-meeting note: The Administration's responses to both submissions were circulated to members on 16 November 2004 vide LC Paper No. CB(1)253/04-05(01) and (02).)

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27. At the invitation of the Chairman, the Commissioner for Tourism (C for Tourism) briefed members on the latest development of the heritage tourism project (the Project) at the Central Police Station, Victoria Prison and the former Central Magistracy (the site) since the last discussion by the Panel on 28 April 2003. She said that the Government's primary objective of the Project was to preserve, restore and develop the historic site into a heritage tourism facility for overseas visitors and local residents to enjoy. The Administration intended to award the Project through an open competitive process. She stressed that the Government was fully committed to preserving cultural heritage. For this Project, stringent preservation requirements and guidelines had been worked out in consultation with the Antiquities Advisory Board (AAB), with mandatory requirements on preservation of historic buildings, restrictions on building height for new buildings(s) and maximum gross floor area (GFA). Under the proposed framework, the tender assessment would be a two-stage process, where tenders would be screened for conformity with the mandatory heritage preservation requirements. C for Tourism further said that the Administration would take into account concerns such as preservation requirements, weighting ratio for premium versus qualitative aspects of the proposal, public access to the site and local involvement in monitoring the Project in finalizing the tendering arrangements.

28. With the aid of PowerPoint presentation, the Executive Secretary (Antiquities and Monuments) of Leisure and Cultural Services Department (ES(A&M)/LCSD) introduced the preservation requirements for the Project and gave an account on the classification of historic and non-historic buildings, structures and walls, the location of new development and height restriction, the conservation principles contained in international documents on heritage conservation.

Development of the site

29. The Chairman was concerned about the commercial viability of the Project since most of the historic buildings had to be preserved which imposed a limit on the extent to which additional space for commercial use might be developed. He was worried that investors might not be interested in bidding the Project.

30. In response, C for Tourism recapitulated that the total GFA of existing buildings within the site was around some 20 000 m². Subject to the approval of the Antiquities Authority, new buildings could be constructed in the Upper Platform Area (Victoria Prison) and underground development might be permitted beneath the two courtyards situated on the Upper and Lower Platform Areas as well as beneath any new building, provided that no adverse structural impact was caused to the foundations of any historic buildings or historic walls. C for Tourism further said that the Administration would work out an upper limit on the permissible floor area in the tender document.

31. As a past member of the AAB, Mr Abraham SHEK indicated his support for the proposed Project which could help promote both heritage preservation and tourism development. He proposed to hold an international design competition for the development of the Project.

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32. While appreciating the idea of holding such competition, C for Tourism pointed out that there were practical difficulties for taking forward the initiative. As the design of the Project would affect its future operation and maintenance, it would be more practicable if the same project proponent was tasked to undertake the design and modification works, and operate the related facilities under the Project. She also remarked that an award design in open competition might not always be conducive to business operation.

Proposed use of the site

33. Mr Howard YOUNG indicated his support for the proposal as it helped promote heritage tourism. In taking forward the Project, flexibility should be allowed for creativity in designs. Where appropriate, consideration could be given to setting up fine dining establishments if they helped enhance the historic character of the site.

34. Being a frequent visitor to the former Central Magistracy, Mr Ronny TONG urged the Administration to maintain the historic integrity of the Magistracy and safeguard the image of the judicial system by restricting its future use to non-profit-making proposals only. To this end, a judiciary museum exhibiting the judiciary history of Hong Kong could be considered.

35. On the future use of the buildings, C for Tourism said that the Administration's initial view was that there should be a proper mix of commercial use and cultural use. She said that with the availability of more than 20 000 m² GFA, the site could be developed into a heritage tourism attraction with sufficient commercial potential. The Secretary for Economic Development and Labour (SEDL) added that in assessing the tenders, the assessment panel would take into account factors such as heritage conservation aspect, proposed usage of the buildings and tourism benefits respectively of the proposals received.

36. Mr Jeffrey LAM pointed out that it was generally agreed that the site was of high historic value and should be carefully preserved. He also indicated his support to the proposed heritage tourism development concept for the Project. On whether the site should be designated for commercial use or non-profit use, Mr LAM said that a proper balance should be maintained. In his opinion, a proposal which was both financially sustainable and beneficial to the community as a whole should be selected. This would also enable the Government to focus its resources on other preservation work which did not offer a potential for private sector participation.

37. Sharing Mr LAM's view, SEDL pointed out that with the ageing of the buildings, there would be a gradual increase in maintenance cost.

Preservation requirements

38. Members noted that of the 17 historic buildings within the site, four had been classified as Type A buildings which must be conserved externally and internally

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whereas 13 as Type B buildings which must be conserved externally. Mr CHAN Kam-lam enquired if the Administration could review the classification of buildings and include more buildings under Type A category. This could help preserve the historic character and features of the Compound, bearing in mind monuments formed part of the collective memory of the people of Hong Kong.

Admin 39. ES(A&M)/LCSD explained that the buildings were classified with reference to their historic significance, architectural value, structural condition and authenticity. It was necessary to conserve Type A buildings externally and internally so as to maintain the historic integrity of the buildings. To allow certain flexibility in re-using Type B buildings, they could be altered internally provided that the historic architectural features, such as doors, windows, staircases and balustrades, identified by the Antiquities and Monuments Office should be conserved. Nevertheless, ES(A&M)/LCSD would convey the member's view to AAB for consideration.

40. In addressing Mr CHAN Kam-lam's further concern on the need to balance heritage preservation and commercial viability of the Project, ES(A&M)/LCSD pointed out that the Project proponents were required to draw up a Conservation Plan in conserving the historic buildings for designated purposes. The proposals would have to meet mandatory requirements on preservation and secure a minimum passing score of 75% in heritage conservation aspect. Apart from this, the Project proponents were left as much flexibility as possible to take forward the development concept.

41. Referring to the recent demonstration asking for the preservation of all the 18 historic buildings and development of the site into a non-profit-making attraction, Dr YEUNG Sum urged the Government to address the concerns expressed by the community. He called on the Administration to consider preserving the F Hall of the Victoria Prison which had been classified as a low historical value building and allowed to be demolished under the Project. He said that the building had formed part of the collective memory of Hong Kong people and should be conserved externally and internally. There was also a need for the Administration to reduce its focus on the financial gain of the Project, otherwise, the preservation requirements of the Project would be compromised. He also requested the Administration to consider entrusting the operation of the site to a non-profit-making organization on a self-financing basis.

42. SEDL reiterated that the Government's primary objective of the Project was to preserve, restore and develop the historic site into a heritage tourism facility. He pointed out that to pass the first stage of assessment, tenders must meet the mandatory preservation requirements, i.e tenders would not be further evaluated unless they had satisfied these mandatory heritage preservation requirements. He assured members that under the proposed framework for tender assessment, the objective of putting heritage preservation as an overriding factor could be achieved. SEDL also stressed that the Administration would attach a higher weighting to the qualitative aspects of the proposals relating to heritage conservation, technical, environmental and traffic issues than revenue to Government in the form of land premium in the assessment process. The current weighting for premium versus qualitative aspects of the

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proposals was set at 40% and 60% respectively. In response to views received, the Administration was reviewing the weighting ratio. On suggestions for non-profit-making proposals, SEDL said that as long as a proper balance on the weighting regarding the premium and qualitative aspects was struck, any proposal which was both financially sustainable and beneficial to the community as a whole would be considered. He said that he would welcome proposals from non-profit-making organizations.

43. Given that the site was a public asset, Dr YEUNG Sum urged the Administration to consider the need to set up an independent monitoring body, comprising experts in heritage preservation and the community, to oversee the operation and use of the site during the 50-year lease period. In this connection, Miss TAM Heung-man enquired about the responsible government department for monitoring the progress of the Project and ensuring the site would be developed according to the selected tender proposal.

44. In response, SEDL said that it was in the interest of the successful proponent to preserve and develop the site into a high-quality heritage tourism facility. He agreed that it would be beneficial if the future developer could enhance communication with the local community so as to address their concerns and views. C for Tourism supplemented that the successful proponent must develop the site according to the conditions set out in the land lease. In addition, pursuant to the Antiquities and Monuments Ordinance (Cap 53), a permit must first be obtained from the Antiquities Authority before any works could be carried out within the site.

45. On calls for preserving the F Hall of the Victoria Prison, ES(A&M)/LCSD Admin undertook to reflect public's view to AAB for consideration.

46. On the delineation of responsibility between the Home Affairs Bureau (HAB) and Economic Development and Labour Bureau (EDLB), Mr Fred LI was of the view that as HAB was tasked with the responsibility for formulating policy on heritage preservation, it should take a leading role in the Project. He also enquired about the funding support from the Government for the purpose of preserving historical buildings. In addition, he expressed his objection to allowing alternations made to the interior of Type B buildings and stressed that the historic value of these buildings should be respected.

47. In response, C for Tourism pointed out that while EDLB served as a co-ordinator in taking forward the Project, HAB and the Antiquities and Monuments Office, in consultation with AAB had set out the preservation requirements and guidelines for compliance by Project proponents. They would also join the assessment panel set up to consider the proposals. On the annual maintenance cost of the site, C for Tourism anticipated that the recurrent maintenance cost upon completion of the necessary modification and building works would far exceed the present sum of HK\$5.5 million per year. On alternations made internally to Type B buildings, C for Tourism advised that many of the structures and fixtures inside these buildings were old and some were beyond repair. Alternations were necessary and could be done

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while maintaining the historic character of the buildings. ES(A&M)/LCSD added that the approach was in line with the usual international practice.

48. Mr Patrick LAU declared that he was a member of AAB. Noting that the developer should at his own cost submit a detailed Conservation Plan for the historic site to the Antiquities Authority for approval before commencement of any building works on the site, Mr LAU considered that such Conservation Plan should be prepared by the Government instead for compliance by Project proponent. To enable the local residents to have a better understanding of the site and on the need to preserve or demolish certain buildings, Mr LAU suggested that an open day should be organized for members of the public to visit the site.

49. On the Conservation Plan, ES(A&M)/LCSD pointed out that the requirement was made in line with the spirit of an Environmental Impact Assessment for infrastructural projects. In fact, the Government had conducted a thorough survey on the existing conditions of the historic buildings and assessed their historic significance, both of which would be specified in the tender documents. The Conservation Plan to be submitted by individual project proponents would be subject to the designated purpose of the site and adaptive re-use of each building. The plan should also include a heritage impact assessment to identify the possible direct and indirect impacts on the historic site caused by the new development.

50. The Chairman advised that the preservation requirements should be specified clearly without leaving too much flexibility in the tender documents. In response to his request for a copy of the tender documents for circulation to Panel members, ES(A&M)/LCSD said that the documents were currently being fine-tuned. He would see if a copy could be provided to the Panel in consultation with the Tourism Commission.

51. Regarding the holding of an open day, C for Tourism said that the Administration would consider the suggestion provided that site security and proper maintenance of the buildings were not compromised. She however advised that according to the reprovisioning plan, the Regional Headquarters and the Emergency Unit of Hong Kong Island of the Hong Kong Police Force would not be vacated until end 2004. The Victoria Prison would not be vacated until end 2005.

52. Ir Dr Raymond HO agreed with the view that good design might not be conducive to business operation and pointed out that the Western Market was a case in point. This heritage building had won design awards but experienced operation difficulty. As an engineer, Ir Dr HO shared the difficulties faced by Project proponents in preparing tender proposals. He said that notwithstanding the extent of efforts put in surveying the existing conditions of the historic site, the Project proponents were unable to ascertain at this stage whether the structures of the buildings could stand with various modification works. He enquired if the Administration could provide the necessary professional advice in this respect.

53. ES(A&M)/LCSD advised that the preservation requirements specified in the

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tender conditions only provided a framework for development. As the works to be carried out in each building might vary depending on the designated use proposed by Project proponents, it would be difficult for the Administration to assist in this respect. Hence, the developer was required to work out its own plan for the approval of the Antiquities Authority.

54. Mr Andrew LEUNG said that the site was a fine example of colonial architecture preserved in its original form and integrity, hence, it should be preserved and developed into a tourism attraction to benefit the community at large. Mr LEUNG further suggested that in line with the practice in Europe and Singapore, alternations to the internal structures of the site should be allowed with a view to lowering the maintenance cost of the site in the long run. This could also help ensure that the internal fittings and facilities would comply with modern day legislation.

55. On internal fittings and installation of facilities, ES(A&M)/LCSD said that arrangements would be made to ensure that all building and safety-related legislation were complied with before the site was opened for public use.

Motion

56. Mr Fred LI proposed to move a motion which was tabled for members' reference. His motion was seconded by Mr SIN Chung-kai. The wording of the motion (in Chinese) was as follow:

『就中環警署古蹟群事宜，本委員會促請政府全面重新檢討發展中區警署古蹟群，檢討內容包括：

- 1) 引入非牟利機構營運；
- 2) 加強保存古蹟及司法體系形像為優先的評審準則；
- 3) 保存古蹟群 18 幢的建築物；及
- 4) 引入社區參與評審及監察未來營運。』

(English translation)

“That, regarding the Central Police Station Heritage, this Panel urges the Government to conduct another comprehensive review on the development of the Central Police Station Heritage, covering the following:

- 1) introducing operation by non-profit-making organizations;
- 2) enhanced preservation of the heritage and the image of the judicial system takes precedence over other assessment criteria;
- 3) preserving the 18 buildings of the Heritage; and
- 4) inviting community participation in the assessment and monitoring of the future operation.”

57. The Chairman considered that the proposed motion was directly related to the

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agenda item under discussion. He then invited members to vote on whether the motion should be proceeded with. The majority of the members voting agreed to. Mr CHAN Kam-lam remarked that as members had already expressed their concerns and views at the meeting and the Administration also undertook to review the matter, he considered it not necessary for the Panel to pass a separate motion for the purpose. He therefore indicated that he would vote against the motion but this did not mean that he was not in favour of the proposal to preserve and restore the historic site.

58. The Chairman put the motion to vote. As requested by Mr Fred LI, the Chairman ordered the Panel to proceed to a division. The Chairman announced that among the 13 Panel members present, five members (Hon Fred LI, Hon Sin Chung-kai, Hon Ronny TONG, Hon KWONG Chi-kin and Hon TAM Heung-man) were in favour of the motion and eight members (Hon Abraham SHEK, Ir Dr Hon Raymond HO, Hon CHAN Kam-lam, Hon Howard YOUNG, Hon Miriam LAU, Hon Jeffrey LAM, Hon Andrew LEUNG and Hon WONG Ting-kwong) against it. Since the motion was not agreed by a majority of Panel members present, the Chairman declared that the motion was negatived.

VII Any other business

59. There being no other business, the meeting ended at 12:55 pm.