

立法會
Legislative Council

LC Paper No. CB(1)1615/05-06
(These minutes have been seen
by the Administration)

Ref : CB1/PL/PLW/1

Panel on Planning, Lands and Works

Minutes of meeting
held on Tuesday, 25 April 2006 at 2:30 pm
in Conference Room A of the Legislative Council Building

Members present : Hon LAU Wong-fat, GBM, GBS, JP (Chairman)
Hon Patrick LAU Sau-shing, SBS, JP (Deputy Chairman)
Hon James TIEN Pei-chun, GBS, JP
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon James TO Kun-sun
Hon WONG Yung-kan, JP
Hon CHOY So-yuk, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Albert CHAN Wai-yip
Hon LEE Wing-tat
Hon LI Kwok-ying, MH
Hon Daniel LAM Wai-keung, BBS, JP
Hon Alan LEONG Kah-kit, SC
Dr Hon KWOK Ka-ki
Hon CHEUNG Hok-ming, SBS, JP

Members attending : Hon CHAN Yuen-han, JP
Hon CHAN Kam-lam, SBS, JP
Hon Emily LAU Wai-hing, JP
Hon LEUNG Kwok-hung

Public officers attending : **Agenda item IV**
Ms Elizabeth TSE
Director of Administration

Mrs MAK LOK Suet-ling, Susan, JP
Deputy Director of Administration

Mr Sidney CHAN
Assistant Director of Administration

Mr TANG Ping-kwong
Deputy Government Property Administrator
Government Property Agency

Mr CHEUNG Kin-wah
Chief Property Manager (Management Services)
Government Property Agency

Mr YUE Chi-hang, JP
Director of Architectural Services

Mr Peter YUEN
Project Director
Architectural Services Department

Mr Elvis AU
Assistant Director (Environmental Assessment)
Environmental Protection Department

Mr Lawrence KWAN
Chief Engineer/Traffic Engineering (HK)
Transport Department

Ms Phyllis LI
Chief Town Planner (Special Duties)
Planning Department

Clerk in attendance : Ms Anita SIT
Chief Council Secretary (1)4

Staff in attendance : Mr WONG Siu-yee
Senior Council Secretary (1)7

Ms Christina SHIU
Legislative Assistant (1)7

I Confirmation of minutes

(LC Paper No. CB(1)1324/05-06 -- Minutes of meeting on 28 February 2006)

The minutes of the meeting held on 28 February 2006 were confirmed.

II Information papers issued since last meeting

(LC Paper No. CB(1)1194/05-06(01) -- A referral dated 27 March 2006 from the Complaints Division relating to the subject of mandatory building inspection

LC Paper No. CB(1)1264/05-06(01) -- Information paper on "Revision of operating costs related excavation permit fees" provided by the Administration

LC Paper No. CB(1)1297/05-06(01) -- Information paper on "Revision of fees and charges under the purview of the Lands Department" provided by the Administration

LC Paper No. CB(1)1305/05-06(01) -- Information paper on "Dongjiang water supply" provided by the Administration)

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

III Items for discussion at the next meeting

(LC Paper No. CB(1)1320/05-06(01) -- List of outstanding items for discussion

LC Paper No. CB(1)1320/05-06(02) -- List of follow-up actions)

3. Members agreed that the item on "Wan Chai Development Phase II Review: Harbour-front Enhancement Review - Wan Chai, Causeway Bay and Adjoining Areas: Outcome of Public Engagement at the Envisioning Stage" proposed by the Administration would be discussed at the next meeting scheduled for 23 May 2006.

4. The Chairman reminded members that the Panel discussed the subject "Review of lease modification to permit change of use for sites previously granted by private treaty" at the meeting on 28 March 2006. In view of the importance of the issue, members agreed at that meeting that the subject would be discussed again at a future meeting. Members agreed to further discuss the subject at the

meeting on 23 May 2006.

IV Tamar Development Project

- (LC Paper No. CB(1)1319/05-06(01) -- Information paper provided by the Administration
- LC Paper No. CB(1)1320/05-06(03) -- Summary of views of deputations made at the meeting of the Subcommittee to Review the Planning for the Central Waterfront (including the Tamar Site) on 3 April 2006 and the Administration's response
- LC Paper No. CB(1)1320/05-06(04) -- Report of the Subcommittee to Review the Planning for the Central Waterfront (including the Tamar Site)
- LC Paper No. CB(1)1339/05-06(01) -- Extract of the draft minutes of the meeting of Central & Western District Council on 23 March 2006
- LC Paper No. CB(1)1348/05-06(01) -- Submission dated 20 April 2006 from Ms Santa RAYMOND
- LC Paper No. CB(1)1348/05-06(02) -- Submission dated 21 April 2006 from Society for Protection of the Harbour entitled "Subcommittee to Review the Planning for the Central Waterfront (including the Tamar Site)"
- LC Paper No. CB(1)1348/05-06(03) -- Submission dated 21 April 2006 from Society for Protection of the Harbour entitled "Proposed Central Government Offices on Tamar")

5. The Director of Administration (D of Adm) said that in the Administration's paper (LC Paper No. CB(1)1319/05-06(01)), the Administration set out in detail the scope of the project, the Administration's response to the views and concerns of members and deputations on the Tamar development project, and a comprehensive explanation to their enquiries. As regards the intensity of the Central Government Complex (CGC), when compared with the proposal in 2003, there would be a reduction of 10% and 9.3% in Net Operating Floor Area (NOFA) and Gross Floor Area (GFA) respectively. Taking the Legislative Council

Complex (LCC) into the calculation, the reduction would be 8.1% in NOFA and 7.4% in GFA. The plot ratio of the whole development would be reduced from 6.2 to 5.7. In relation to traffic, the Tamar development project would account for less than 1% of the total traffic in the Central Business District even during peak hours. As explained in Annex E of the Administration's paper, the "Canyon Effect" would not be a concern for the Tamar development project. There would be easy access to the Tamar site and the waterfront. With the proposed pedestrian footbridges, it would only take about two minutes to walk from the building above the Admiralty Mass Transit Railway station to the Tamar site and about 10 minutes to the waterfront promenade with 8.8 hectares (ha) of open space through an at-grade open deck linkage. Through a mix of uses and diversity of functions, there would be vibrancy in the waterfront area.

Project cost, space requirements and planning issues

6. Mr James TIEN said that the Liberal Party supported locating the Chief Executive's Office, the Executive Council and its Secretariat, the policy bureaux and the Legislative Council (LegCo) in close proximity to one another so as to enhance operational efficiency. He however expressed concern about the proposed estimate for the project. He commented that based on the NOFA provided, the estimated cost of \$5.13 billion for the project was too expensive on the surface. He also expressed reservation on whether it was feasible to provide 20% of the floor space of CGC underground. While facilities such as car parking spaces and plant rooms would pose no problems, it might not be desirable to accommodate other facilities underground. He enquired whether some bureaux would still have to be accommodated at out-stationed premises after completion of CGC.

7. In reply, the Director of Architectural Services (D of ArchS) explained that in response to the strong public sentiment of keeping the building heights to the minimum necessary, the Administration was considering to provide some facilities underground. As underground construction would incur a higher construction cost and the works would be more complicated, the Administration would have to strike a balance. The construction of one to two floors underground would provide sufficient space for accommodating the facilities which were considered to be suitable to be provided underground. The estimated project cost had taken into account the requirement of constructing some facilities underground and as such, the estimate would be higher than that for a project without underground floors.

8. The Project Director of the Architectural Services Department (Proj Dir/ArchSD) added that the unit construction cost would be between \$14,000 and \$15,000 per square metre in terms of Construction Floor Area (CFA). It would be comparable to those of grade A office premises. The CFA of the CGC at Tamar would be about 125 000 m². The conversion factor from NOFA to CFA was about two in general because NOFA did not include the space for facilities such as washrooms, lifts and car parks. He added that the estimated project cost also

included the cost for other items such as furniture and equipment, estimated to be about 10% of the total cost.

9. With regard to space requirements, D of Adm explained that the existing areas used by bureaux in CGO and Murray Building (MB), leased premises, and out-stationed Government-own buildings were some 39 600 m², 28 700 m² and 97 500 m² (all in NOFA) respectively. CGO and MB housed around 2 100 staff members while the latter two types of accommodation housed over 6 000 staff members. Hence, over 8 000 staff members in various bureaux were currently accommodated in a total area of about 166 000 m² (NOFA). CGC would only house about 3 270 bureaux staff members. At present, nine out of the 11 bureaux were each operating at two or more separate locations. After moving to CGC, the operational efficiency of those nine bureaux and the Government Secretariat as a whole would be enhanced.

10. Mr Albert HO enquired about the relation of various definitions of floor areas. He was worried that a large amount of space at CGC would be used for decorative purposes, leading to low efficiency in space usage. D of ArchS explained that NOFA only included the space for operation. Space for corridors, washrooms, stairs and lifts was excluded. CFA was all-inclusive and would include space for facilities such as car parks and plant rooms. Depending on the design and type of a building, the difference between NOFA and CFA could be substantial. Mr HO requested the Administration to provide information on the various definitions of floor areas and the respective CFA, GFA and NOFA of CGO, MB and CGC.

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11. Noting that there was an increase in space requirement for some of the facilities and a decrease for others, Mr Albert HO enquired about the reason for such a phenomenon. He asked what criteria were used in determining the space requirements and how the Administration would decide which units would be accommodated at CGC. He further asked whether there would be space reserved for public gathering and, if so, its location and distance from CGC.

12. D of Adm explained that there were established standards on office space for staff at different ranks. In deciding which units would be accommodated at CGC, the bureaux had been invited to provide their returns based on the principle that only units performing policy-related functions should be accommodated at CGC. The Administration had adopted stringent criteria in vetting the space requirements. Any increase in space requirements must be justified based on actual operational needs. For instance, the Executive Council and its Secretariat needed more space for conference facilities because there had been an increase of eight non-official members of the Executive Council. Compared to the existing space provisions, there would be an overall reduction in the space provisions for offices of bureaux but increase for common facilities, such as conference and press facilities at CGC, to be used by bureaux on a shared basis to meet present-day requirements. As regards space for public activities, D of Adm pointed out that the Administration had to strike a balance between the need to facilitate petitions and

public demonstrations at CGC and the need to maintain orderly and effective operation of the Government headquarters. While the detailed arrangements would be considered at the detailed design stage, the current arrangements at CGO would form the basis for designing the future arrangements.

13. Mr Patrick LAU enquired about the plot ratio and the use of the “Government, Institution or Community (2)” site north of Citic Tower and asked whether the Administration would consider using the site for constructing the Exhibition Gallery which had been excised from the current Tamar development project. In reply, the Chief Town Planner (Special Duties) of the Planning Department (Ch Town Plan/PD) said that the site was intended for possible future cultural and recreational facilities. Given the waterfront location, the development should be of lower intensity with a plot ratio of about 5. The possibility of accommodating the Exhibition Gallery could be considered in future development of the site.

14. Mr CHEUNG Hok-ming enquired about the service life of CGC under the present proposed floor area provisions before it reached saturation and asked whether the Administration had assessed the sustainability of CGC. In reply, D of Adm assured members that while the Administration did not have any indicative figure for the service life of CGC before saturation, it had taken into account the long-term accommodation requirements of the Government headquarters. Accordingly, the Administration had factored in an expansion factor of 10% to ensure that there would be adequate room for future expansion. Still, there was a net reduction of 10% in NOFA of CGC compared to the 2003 estimate. Mr CHEUNG said that the designated “Open Space” at the Tamar site should not be used for future expansion of the Government headquarters. D of Adm pointed out that the Administration had complied with the present land-use zoning of the Tamar site, i.e. 2 ha of land designated as “Open Space” and the 2.2 ha of land designated as “Government, Institution or Community” (“G/IC”), in implementing the Tamar development project. The “Open Space” was meant for public enjoyment.

15. Miss CHOY So-yuk commented that the Administration did not provide enough details about the design and space requirements of the Tamar development project to allow Members to make an informed decision to support the project or otherwise. She requested the Administration to provide a more detailed breakdown of the existing and proposed area provision for the offices/bureaux to be accommodated at CGC. She also requested the Administration to provide the selection criteria for the design of the CGC and LCC and asked whether the drawings and models of the project showing the configuration of the future buildings and open space at the Tamar site and the Road P2 could be shown to the public and/or LegCo Members for comments. In reply, D of Adm pointed out that for CGC, there would be one low block for the Chief Executive’s Office and the Executive Council and its Secretariat, and one or more office blocks. For LCC, there would be one low block for the major meeting facilities including the LegCo Chamber and at least one office block. As the project would be procured through a

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Design and Build (D&B) contract, the Administration did not have any prescriptive drawings or models regarding the final design and layout of the buildings at the present stage.

16. Miss CHAN Yuen-han said that the Hong Kong Federation of Trade Unions supported the Tamar development project in principle. She was however concerned that the planned road network would prevent easy access to the waterfront, and access through footbridges might not be convenient for pedestrians. The Administration should ensure easy access to the waterfront and roads near the waterfront could be submerged. In response to Miss CHAN's concerns, D of Adm explained that there would be easy access from Admiralty to the waterfront promenade through the Civic Place where there would be an at-grade open deck with a width of 50 to 60 metres, and the section of Road P2 near the Tamar site would be submerged. Ch Town Plan/PD added that there would be comprehensive pedestrian linkage in the area. She pointed out that Road P2 would be a dual-two lane local distributor road with ingress and egress for development alongside the road and turning pockets at the road junctions to enhance junction performance. Pedestrians could gain access to the waterfront through at-grade signal-controlled pedestrian crossings, other than the footbridges and landscaped decks. She re-affirmed that the section of Road P2 near the Tamar site would be submerged and the public could access the waterfront promenade through the at-grade open deck.

17. Dr KWOK Ka-ki considered that the Administration was not genuinely responding to the views and suggestions of members and the public. He doubted whether the number of staff involved in policy-making functions was really as large as 3 270 as indicated by the Administration. In reply, D of Adm pointed out that information on the staff establishments of various bureaux was open information available in the Estimates of Expenditure. She reiterated that out of a total of 8 900 staff members in various bureaux and offices, only around 3 270 staff members involving in policy-making functions would be accommodated at CGC. Dr KWOK requested the Administration to provide more information on the composition of the staff to be accommodated at CGC with a breakdown by bureau/unit.

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18. Dr KWOK Ka-ki expressed dissatisfaction that the Administration had used different types of floor areas in its explanations to different queries. He also considered that the Administration was misleading the public in saying that half of the Tamar site was designated as "Open Space" because a large portion of the "Open Space" site would be on Road P2 and land yet to be reclaimed. In reply, D of Adm and Ch Town Plan/PD responded that only a very minor portion of the "Open Space" under the Tamar development project (i.e. the northeastern corridor) was located on land reclaimed under Central Reclamation Phase III, and the "Open Space" did not straddle Road P2. A landscaped deck over the depressed section of Road P2 was located north of the "Open Space". The proposed "Open Space" under the Tamar development project covered 2 ha, as shown on the relevant Outline Zoning Plan (OZP). As the 2.2 ha of land zoned "G/IC" and the 2

ha of land zoned “Open Space” were both located within the Tamar site, the description that about half of the site was “Open Space” was correct.

19. Mr Albert CHAN commented that the Tamar development project was not people-oriented because it would ruin the waterfront and waste the last piece of valuable land at the Central waterfront for the public and the future generations. He queried whether there was a genuine need to build a CGC at Tamar to house the 3 270 staff members as any large commercial building in Central could house a similar number of staff.

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20. In reply, D of Adm explained that during the exhibition of the relevant draft OZP in which part of the Tamar development site was zoned as “G/IC”, 70 objections were received, but there was no objection to the zoning of the Tamar site and intended reprovisioning of the Government headquarters. Mr Albert CHAN pointed out that the opinions of the public had changed and the Administration should listen to current opinions of the public. He asked the Administration to provide a breakdown of the estimated project cost for the project and explain how the unit construction cost compared with those of other similar projects. He also sought confirmation on whether CGC would be fenced off and the locations for installation of fences if that was the case.

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21. Mr James TO also requested more information on the composition of the staff to be accommodated at CGC with a breakdown by bureau/unit. He commented that operational need should be a factor in deciding which staff should be accommodated at CGC. In relation to security arrangements for CGC, he enquired about the distance between the high block and the low block and asked if there was any need to provide a helipad within the Tamar site for emergency purposes.

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22. Regarding the composition of staff to be accommodated at CGC, D of Adm reiterated that only staff performing core policy-decision functions would be accommodated in the CGC. By way of illustration, she said that within the Economic Development and Labour Bureau, the Port, Maritime and Logistics Development Unit would be accommodated at CGC and the Travel Agents Registry Office, which was less directly related to policy-making, would not. While the Administration did not have any plan to provide a helipad at the Tamar site at present, it would provide supplementary information on emergency access. In the future tender document, the Administration would not prescribe any restriction on the distance between the high block and low block to allow more flexibility for the bidders in the design process. Proj Dir/ArchSD added that the Administration would specify the security requirements in the tender documents based on the advice of the Government Security Officer.

Public participation

23. Acknowledging the need to ensure fairness of the tender process, Mr LEE Wing-tat enquired whether the Administration would have measures to

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allow local architects and concerned parties to comment on the designs of the CGC before the final decision was made. Dr KWOK Ka-ki was worried that the D&B approach lacked transparency and did not allow sufficient participation by the public and LegCo Members. The Administration might even have to accept a design which was less than satisfactory in order to avoid the possibility of litigation. He requested the Administration to provide measures to gauge the opinions of the public and LegCo Members before deciding on the final design of the Tamar development project.

24. In reply, D of Adm said that once the tender exercise had been initiated, the Administration had to follow stringent requirements in order to ensure that the process was fair. The Administration treated the Tamar development project as a special project and a Special Selection Board had been set up to assess the applications for prequalification and select the tender for the D&B contract. Apart from government officials, two LegCo Members and a professor in architecture were members of the Special Selection Board. The presence of non-government officials on the Special Selection Board highlighted the uniqueness of the Tamar development project. LegCo had approved many D&B projects in the past and the procurement arrangement for the Tamar development project was similar to those for other D&B projects. The Tamar development project proposed in 2003 also adopted the D&B approach. In considering the level of public participation, the Administration had to ensure that the tender process would be fair and open and the legal obligations under the World Trade Organization Agreement on Government Procurement would be properly adhered to.

25. Mr Alan LEONG asked whether the Administration would meet organizations and professionals to exchange views on the Tamar development projects. In reply, D of Adm said that since the Administration announced the re-launch of the project in October 2005, the Administration had attended a number of meetings of this Panel and its Subcommittee to Review the Planning for the Central Waterfront (including the Tamar Site) and provided written responses to the concerns and views of Members and various organizations expressed at the meetings. Documents relating to the Tamar development project were in the public domain and the stance of the Administration on various relevant issues should be clear after it had given explanations on various occasions.

26. As to Miss CHOY So-yuk's suggestion of exhibiting the designs submitted by the applicants of the prequalification exercise for public comments, D of Adm explained that the applicants were only required to submit conceptual designs to demonstrate their technical capability for the project. As the prequalified bidders could submit altered designs at the tender stage, if the conceptual designs of the prequalification exercise were exhibited publicly, the Administration might be criticized for misleading the public because those designs might differ substantially from the final designs. Moreover, exhibition of the designs might undermine the integrity and fairness of the tender process and the Administration was seeking legal advice in this regard.

Future use of the Central Government Offices/Murray Building

27. Mr LEE Wing-tat asked whether the Administration would consider preserving CGO, especially the Main Wing, because CGO had been a place for political activities and the public had historical memories of the place. D of Adm explained that CGO had not been declared as a monument according to the Antiquities and Monuments Ordinance. The Secretary for Home Affairs was being consulted on the preservation of the buildings. Noting this, Mr LEE said that he was not suggesting the Administration to declare CGO as a monument, which he understood would be a lengthy process. CGO however could be preserved without being demolished as in the case of the “Blue House” in a recent redevelopment project in Wan Chai undertaken by the Urban Renewal Authority. D of Adm noted Mr LEE’s view.

28. Dr KWOK Ka-ki expressed doubt on whether the Administration really did not have any plans on the future use of the CGO and MB sites. Ch Town Plan/PD said that subject to availability of the sites for alternative use, i.e. offices and staff in the existing CGO and MB would be reprovisioned/relocated to the Tamar CGC, the Administration would conduct a comprehensive assessment of future possible uses of the two sites, taking into account the land use needs, the traffic, environmental and infrastructural impacts, the historic value of the sites and their surroundings, etc. The Administration would also consider public needs and aspirations and prevailing social and economic circumstances. The assessment would take about six to nine months to complete. In the event the future uses of the sites so determined required any amendment to the existing “G/IC” zoning on the OZP, the statutory planning procedures including the public consultation/representation process under the Town Planning Ordinance would have to be followed. The amended OZP would then be submitted to the Chief Executive in Council for approval. The whole process could be completed before the completion of the Tamar development project in 2010.

29. Expressing a similar concern, Mr Alan LEONG asked whether the Administration had any stance on the future use of the CGO and MB sites, in particular, whether they would be put up for sale. He also enquired about the additional recurrent expenditure arising from the Tamar development project. In reply, D of Adm said that the Administration had not yet decided on the future use of the two sites. Any change from the current “G/IC” use would need a detailed assessment by the Administration in various aspects. The additional recurrent expenditure for the Tamar development project would be around \$48.5 million per annum. The additional recurrent cost might be offset by \$31.8 million in direct rental savings and possibly \$36.1 million as potential savings upon the secondary round of de-leasing for departments currently housed in split locations.

Environmental concerns

30. Mr CHAN Kam-lam considered that traffic was a pressing issue. He was worried that even with Road P2, traffic congestion in Central and Wan Chai would

not have a marked improvement, and the Shatin to Central Link would not alleviate traffic congestion in the area either. He enquired about the volume to capacity (V/C) ratios of the road sections in the area and asked whether the Administration had any plans to improve the general traffic situation in Central and Wan Chai. In response to Mr CHAN's enquiry, the Chief Engineer/Traffic Engineering (HK) of the Transport Department (Ch Eng/TD) pointed out that the V/C ratios for those road sections would be around 0.9. Apart from the Central-Wan Chai Bypass (CWB) and Road P2, the Administration was considering other transport plans, such as the Shatin to Central Link, the North Island Line and the feasibility of electronic road pricing to address transport needs in the long run. Road P2 and CWB were expected to be completed by 2008 and 2013 respectively. They could cater for the traffic arising from existing and planned developments in the area up to 2016. As such, additional transport plans and measures would only be needed after 2016.

31. Mr Alan LEONG sought clarification on whether the Tamar development project would have any effect on air quality and asked whether there were any objective data to support the assessment. He was worried that if the CGO and MB sites were used for commercial or residential developments in the future, the traffic in the area would be overloaded, even with the construction of CWB. In reply, the Assistant Director (Environmental Assessment) of the Environmental Protection Department (AD/EPD) said that the Tamar development project would have no significant effect on air quality because the additional traffic generated would be less than 1% of the total traffic in the area. The Environmental Impact Assessment for Central Reclamation Phase III had taken into consideration existing, committed and planned developments, including the Tamar development project, and the findings confirmed that the predicted air quality impact could meet the required standard. The physical layout of the buildings, roads and space in the area around the Tamar site would not lead to any deterioration in air quality nor create the "Canyon Effect". The Administration and the Guangdong Provincial Government had been working closely to implement a comprehensive plan to reduce the total air pollutant emission in the region. Due to the tightening of vehicle emissions in Hong Kong, the air quality had actually improved during 1999 to 2005, and it would continue to show improvements. Ch Eng/TD added that the traffic assessment for Central had included the effects of all the existing and proposed developments in the area. Whether CWB could cope with the traffic in the long run would depend on many factors such as the economy and population. Apart from the construction of road networks in the area, the Administration had other measures to handle traffic in the long term, such as implementing railway projects and exploring the feasibility of electronic road pricing.

32. Mr Albert CHAN was worried that after the new CGC was commissioned, special traffic control measures involving activities of the Chief Executive or visits of important overseas guests would cause serious disruptions to the traffic in Central. He also sought details on the Administration's assessment of the impact of the Tamar development project on air quality. In reply, AD/EPD

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said that the impact on air quality would be more or less proportional to the increase in vehicular traffic and the Tamar development project would generate less than 1% increase in the traffic in Central and hence the impact would be minimal. Noting this, Mr CHAN requested the Administration to provide data and calculations to show the air quality impact of the Tamar development project, including the effect of the vehicular traffic generated from the project.

Creation of employment opportunities and use of precast units

33. In reply to Mr CHEUNG Hok-ming's enquiry, D of Adm said that the 2 600 employment opportunities had not included the employment opportunities to be generated by using precast units. As the Administration was still examining Hong Kong's obligations under the non-discrimination principle of the World Trade Organization Agreement on Government Procurement, the Administration had not yet reached a decision on the use of precast units at present.

34. Miss CHAN Yuen-han asked how the Administration could ensure that the employment opportunities to be created would be taken up by local construction workers and professionals. She suggested that the Administration could make reference to overseas practices in its procurement policy to facilitate the use of precast units. In her view, the practice of offering the tender to the bidder with the lowest tender price was not conducive to the use of precast units and enhancing the employment situation of the local construction workers. In reply, D of Adm said that the Administration was exploring the feasibility of using precast units. Apart from Hong Kong's obligations under the non-discrimination principle of the World Trade Organization Agreement on Government Procurement, cost-effectiveness, the receptiveness of the construction industry to the proposal and the need for land as work sites for producing the precast units had to be considered as well. She clarified that for most public works contracts including the one for the Tamar development project, tender price was not the sole assessment criterion for the award of contract. Quality was certainly a major consideration in the tender assessment process. Noting this, Miss CHAN commented that producing precast units locally would reduce the rate of wastage of the precast units due to transportation. The local construction industry had responded positively to the suggestion of facilitating the production of precast units in Hong Kong and hoped that the Government would actively pursue this by making available the required work sites.

South East Kowloon development

35. Mr CHEUNG Hok-ming pointed out that the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) considered that the criteria for choosing a site for Government headquarters should include creating employment opportunities, allowing for sustainable development, facilitating the Administration in maintaining a close connection with the community and bringing benefits to the development of old districts. DAB maintained the view that in addition to the Tamar development project, the Administration should continue to conduct research on the development of South East Kowloon including the provision of government offices in the area. As the Administration had not given much information in this regard, DAB expected that the Administration would release more details about the development of South East Kowloon before the Public Works Subcommittee (PWSC) considered the funding proposal for the Tamar development project.

36. Mr CHAN Kam-lam said that DAB considered that the Administration should consolidate government offices which were currently scattered at different locations so as to enhance operational efficiency, bring about more convenience to the public and put land resources to more effective use. DAB would make recommendations to the Administration in this regard. DAB hoped that the Administration would give a positive response to those recommendations. Apart from commercial offices, the presence of government offices could also enhance the development of economic activities in South East Kowloon. Mr Albert CHAN also considered that South East Kowloon was a suitable site for government complexes. He pointed out that the world trend was for government complexes to be located away from the central business district.

37. D of Adm explained that it had been the practice of the Administration to consolidate offices located at leased commercial premises or out-stationed Government-owned buildings when such an opportunity arose. The Tamar development project would indeed provide a very good opportunity for the Administration to consider consolidating the offices of various departments to enhance their operational efficiency.

Special meeting

38. Mr Albert CHAN, Dr KWOK Ka-ki and Miss CHOY So-yuk proposed to hold a special meeting to further discuss the Tamar development project. Mr CHAN emphasized that a breakdown of the estimated project cost was very important information for members' consideration of the merit of the project, but the Administration had provided little information in this regard. If members supported the proposal without first examining the details, they would not be performing their duties properly. Miss CHOY said that the purpose of holding a special meeting was to seek further information on outstanding issues.

39. D of Adm said that the Administration had made the best endeavour to

provide as much information as possible on the Tamar development project to members over the past six months and there would not be much new information to add. She hoped that further discussion at the Panel of the project would not cause delay to the submission of the Tamar development project to PWSC and the Finance Committee (FC) for consideration.

40. Mr Abraham SHEK said that he did not object to holding a special meeting to focus on the outstanding issues of the project, but there should not be repeated discussion on those issues that had already been discussed. He considered that the planned timetable for consideration of the Tamar development project by PWSC and FC should not be affected. He commented that apart from the Panel, PWSC and FC would be able to vet the estimated project cost in detail.

41. The Chairman suggested and members agreed that a special meeting would be held as soon as possible to discuss the outstanding issues in respect of the Tamar development project and to discuss the two agenda items that could not be dealt with at the present meeting due to time constraints.

42. In order to expedite the process, D of Adm suggested and members agreed that in order not to delay the consideration of the submission by the PWSC on 29 May 2006, the Administration would prepare the further information for the Panel and the paper for PWSC in parallel.

V Any other business

43. There being no other business, the meeting ended at 5:00 pm.