立法會 Legislative Council

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Public Works Subcommittee of the Finance Committee of the Legislative Council

Minutes of the 6th meeting held in Conference Room 1 of the Legislative Council Complex on Friday, 9 January 2015, at 10:45 am

Members present:

Hon Alan LEONG Kah-kit, SC (Chairman)

Hon WU Chi-wai, MH (Deputy Chairman)

Hon LEE Cheuk-yan

Hon James TO Kun-sun

Hon CHAN Kam-lam, SBS, JP

Hon LEUNG Yiu-chung

Hon Emily LAU Wai-hing, JP

Hon TAM Yiu-chung, GBS, JP

Hon Abraham SHEK Lai-him, GBS, JP

Hon Frederick FUNG Kin-kee, SBS, JP

Hon WONG Kwok-hing, BBS, MH

Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN

Hon Cyd HO Sau-lan, JP

Hon CHAN Hak-kan, JP

Hon CHAN Kin-por, BBS, JP

Hon CHEUNG Kwok-che

Hon IP Kwok-him, GBS, JP

Hon LEUNG Kwok-hung

Hon Albert CHAN Wai-yip

Hon Claudia MO

Hon Michael TIEN Puk-sun, BBS, JP

Hon Frankie YICK Chi-ming

Hon Gary FAN Kwok-wai

Hon CHAN Chi-chuen

Dr Hon Kenneth CHAN Ka-lok

Hon CHAN Yuen-han, SBS, JP

Hon LEUNG Che-cheung, BBS, MH, JP

Hon Kenneth LEUNG

Hon Alice MAK Mei-kuen, JP

Dr Hon KWOK Ka-ki

Hon Dennis KWOK

Dr Hon Fernando CHEUNG Chiu-hung

Hon SIN Chung-kai, SBS, JP

Dr Hon Helena WONG Pik-wan

Hon IP Kin-yuen

Dr Hon Elizabeth QUAT, JP

Dr Hon CHIANG Lai-wan, JP

Ir Dr Hon LO Wai-kwok, BBS, MH, JP

Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Hon Tony TSE Wai-chuen, BBS

Members absent:

Hon Albert HO Chun-yan Hon Ronny TONG Ka-wah, SC Dr Hon LEUNG Ka-lau Hon Charles Peter MOK, JP Hon CHAN Han-pan, JP

Public officers attending:

Mr YEUNG Tak-keung, JP Deputy Secretary for Financial Services and

the Treasury (Treasury)3

Mr CHAN Chi-ming, JP Deputy Secretary for Development (Works)2

Mr Thomas CHAN Deputy Secretary for Development (Planning

Chung-ching, JP and Lands)1

Mr TSE Chin-wan, JP Deputy Director (1)

Environmental Protection Department

Ms Jasmine CHOI Suet-yung Principal Assistant Secretary for Financial

Services and the Treasury (Treasury) (Works)

Ms Mimi LEE Mei-mei, JP Deputy Secretary for Security (1)

Millie NG Mrs KIANG Principal Assistant Secretary for Security (E) Mei-nei Mr Stephen TANG Man-bun, Deputy Director of Architectural Services JP Ms Sylvia LAM YU Ka-wai Project Director (2) **Architectural Services Department** Mr David CHAK Wing-pong Chief Project Manager 201 **Architectural Services Department** Mr Richard Henry MORGAN Regional Commander (Kowloon East) Hong Kong Police Force Mr Percy FUNG Chief Superintendent (Planning and Development) Hong Kong Police Force Mr YAU Shing-mu, JP Under Secretary for Transport and Housing Ms Judy CHUNG Sui-kei Principal Assistant Secretary for Transport and Housing (Transport)5 Mr Jimmy CHAN Pai-ming Project Manager (Major Works) **Highways Department** Mr LEUNG Tat-fai Chief Engineer (Priority Railway) Transport Department Mr HON Chi-keung, JP Director of Civil Engineering and Development Project Manager (New Territories East) Mr CHENG Ting-ning, JP Civil Engineering and Development Department Chief Engineer (Boundary Control Point) Mr WONG Kin-por

Civil

Department

Engineering

and

Development

Mr Robin LEE Kui-biu, JP Deputy Head of Civil Engineering Office

(Port and Land)

Civil Engineering and Development

Department

Mr Lewis LEUNG Wai-pang Chief Engineer (Islands) (Acting)

Civil Engineering and Development

Department

Ms Amy CHEUNG Yi-mei Assistant Director (Territorial) (Acting)

Planning Department

Clerk in attendance:

Ms Sharon CHUNG Chief Council Secretary (1)2

Staff in attendance:

Ms Anita SIT Assistant Secretary General 1
Mr Fred PANG Senior Council Secretary (1)2
Mr Hugo CHIU Senior Council Secretary (1)6

Mr Raymond CHOW

Ms Christina SHIU

Ms Christy YAU

Ms Christy YAU

Ms Haley CHEUNG

Miss Joey LAW

Council Secretary (1)2

Legislative Assistant (1)2

Legislative Assistant (4)8

Clerical Assistant (1)2

<u>Action</u>

The Chairman advised that there were four funding proposals on the agenda for the meeting. He reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council ("LegCo"), they should disclose the nature of any direct or indirect pecuniary interests relating to the funding proposals under discussion at the meeting before they spoke on the item. He also drew members' attention to Rule 84 of RoP on voting in case of direct pecuniary interest.

Head 703 – Buildings

PWSC(2014-15)35 237LP Kowloon East Regional Headquarters and Operational Base-cum-Ngau Tau Kok Divisional Police Station

- 2. <u>The Chairman</u> advised that the proposal was to upgrade 237LP to Category A at an estimated cost of \$2,964.9 million in money-of-the-day prices for the construction of Kowloon East Regional Headquarters ("KERHQ") and Operational Base-cum-Ngau Tau Kok Divisional Police Station ("NTKDPS") ("the integrated complex"). He said that at the meetings on 26 November and 17 December 2014, the Administration had briefed members on the proposal. Mr Albert HO had moved a motion to adjourn the discussion on the item under Paragraph 33 of the Public Works Subcommittee Procedure. The motion had been negatived at the meeting on 17 December 2014. <u>The Chairman</u> said that the Subcommittee would proceed with the deliberation on the item.
- 3. Mr WONG Kwok-hing said that district councils of Kwun Tong, Sai Kung, Wong Tai Sin and Kowloon City had indicated support for the project. Moreover, the project would cater for the accommodation requirements associated with the upgrading of the Tseung Kwan O ("TKO") Police Division to a Police District, which was an aspiration of residents of TKO. He expressed support for the proposal. Mr CHAN Kin-por said that the proposal would enhance the operational efficiency of the Hong Kong Police Force ("HKPF") to meet the increasing demands for policing services in the Kowloon East Region. He hoped that the Subcommittee would decide whether to endorse the funding proposal as early as possible.
- 4. <u>Mr James TO</u> reiterated his concern expressed at the previous meeting about the accessibility of the future NTKDPS. He considered that the proposed integrated complex, to be located at Concorde Road, Kai Tak, was far away from the residential areas in Ngau Tau Kok ("NTK"). He enquired about the measures to save NTK residents the trouble of travelling a long distance to go to the new NTKDPS in future to have police services.
- 5. <u>Deputy Secretary for Security (1)</u> ("DS(S)1") replied that HKPF would actively consider setting up a Police Services Centre ("PSC") near the existing NTKDPS. The PSC, which would provide round-the-clock public services seven days a week, would provide police services similar to those currently available at the report room of NTKDPS. She assured members that after the relocation of NTKDPS, the level of police patrol services in NTK would not be lowered. As regards the distance between the existing NTKDPS and the integrated complex, <u>DS(S)1</u> advised that it would take a ride of only some four bus stops to travel between the two locations.

- Mr WONG Kwok-hing enquired how the Administration would maintain the same level of policing services in the Kowloon East Region in the transitional period before the project was completed. Regional Commander (Kowloon East), Hong Kong Police Force said that HKPF would deploy manpower and other resources flexibly to ensure that policing services in the Kowloon East Region would be adequately supported during the transitional period. He added that, unlike other police land regions, KERHO did not have its own building to accommodate its various units. The headquarters and operational units were currently scattered across different locations in the Kowloon East Region such as the TKO Divisional Police Station, the Kwun Tong Divisional Police Station, the Kowloon East Operational Base at Ngau Tau Kok and the ex-Tsz Wan Shan Divisional Co-locating various units of KERHQ under the Police Station, etc. proposed integrated complex would address the issue of fragmented command and enable HKPF to improve its operational efficiency to cope with future policing challenges brought about by the new development in and transformation of Kowloon East.
- 7. Mr Albert CHAN said that it was essential for the Administration to ensure proper use of public funds. However, in view of the conduct of HKPF during the Occupy Movement, he had doubt on whether HKPF would not abuse public resources. He opined that, to facilitate cost control and to ensure that the design of the proposed integrated complex would cater for the need of a modern society, the Administration should adopt the Design-and-Build ("D&B") approach in the delivery of the project.
- 8. <u>DS(S)1</u> responded that in view of the scale and complexity of the project, the Administration intended to adopt the D&B approach for the project. <u>Deputy Director of Architectural Services</u> supplemented that the procurement mode to be adopted by the Administration for delivering a capital works project was determined on a case-by-case basis.
- 9. <u>The Chairman</u> put the item to vote. At the request of Ms Emily LAU, <u>the Chairman</u> ordered a division. Of the 30 members present, 29 members voted. Thirteen voted for, 16 voted against the proposal and no one abstained. The voting result was as follows:

For:

Mr CHAN Kam-lam
Mr WONG Kwok-hing
Mr CHAN Kin-por
Mr Michael TIEN
Mr LEUNG Che-cheung

Mr TAM Yiu-chung Mr CHAN Hak-kan Mr IP Kwok-him Mr Frankie YICK Dr Elizabeth QUAT Dr CHIANG Lai-wan Mr Christopher CHUNG (13 members) Ir Dr LO Wai-kwok

Against:

Mr LEE Cheuk-yan
Mr LEUNG Yiu-chung
Mr Frederick FUNG
Mr CHEUNG Kwok-che
Mr Gary FAN
Dr Kenneth CHAN
Dr Fernando CHEUNG
Dr Helena WONG

Mr James TO
Ms Emily LAU
Ms Cyd HO
Mr WU Chi-wai
Mr CHAN Chi-chuen

Mr Kenneth LEUNG Mr SIN Chung-kai Mr IP Kin-yuen

Abstain: (0 member)

(16 members)

10. <u>The Chairman</u> declared that the item was negatived by the Subcommittee.

Head 706 – Highways

PWSC(2014-15)36 855TH Road improvement works for West Kowloon Reclamation Development (Phase 1)

- 11. The Chairman advised that the proposal, i.e. PWSC(2014-15)36, was to upgrade 855TH to Category A at an estimated cost of \$845.8 million in money-of-the-day prices for implementing road improvement works of Phase 1 in the West Kowloon Reclamation Development ("WKRD") area. The Panel on Transport had been consulted on the proposal on 11 April 2014 and Panel members in general supported the submission of the proposal to the Subcommittee for consideration. The gist of the Panel's discussion had been tabled at the meeting and the Administration had provided supplementary information on the proposal to the Panel on 9 June 2014.
- 12. At the invitation of the Chairman, <u>Under Secretary for Transport and Housing</u> ("USTH") briefed members on the proposal.
- 13. <u>Ir Dr LO Wai-kwok</u> expressed support for the proposal as the road improvement works could help alleviate the traffic congestion problem in the WKRD area. He urged Subcommittee members to endorse the proposal, which would bring benefits to the general public. He said he was

disappointed that 237LP (i.e. the construction of the Kowloon East Regional Headquarters and Operational Base-cum-Ngau Tau Kok Divisional Police Station), a project supported by the Panel on Security and the relevant District Councils, had been voted down by the Subcommittee. Mr WONG Kwok-hing also indicated his support for the proposal as road improvement works were essential to the road network development in the WKRD area in the long run.

- 14. <u>Dr Helena WONG</u> sought information on when the traffic congestion at the junction of Canton Road with Austin Road, and junction of Canton Road with Jordan Road could be eased after the funding for the proposal was approved, and how the proposed road improvement works could improve the traffic flow in the area.
- 15. <u>USTH</u> advised that in view of the heavy traffic in the concerned area, the Administration would commence the road improvement works as early as possible. <u>Project Manager (Major Works)</u>, <u>Highways Department</u> ("PM(MW)/HyD"), explained that at the junction of Canton Road with Austin Road and Austin Road West, an additional traffic lane in each direction (southbound and northbound) would be provided at Canton Road to improve the junction's capacity. Subject to the funding approval of the Finance Committee ("FC"), the improvement works were scheduled for commencement in the first quarter of 2015. While temporary improvement works would be carried out and completed within a year or so, permanent works under the project would be completed by mid-2018.
- 16. <u>Dr Helena WONG</u> opined that the road widening works would only result in a higher traffic flow along Canton Road and would not solve the congestion problem. Given that it was infeasible to widen Austin Road and Jordan Road, she was concerned that the problem would persist.
- 17. <u>PM(MW)/HyD</u> advised that to help resolve the traffic congestion problem, the road improvement works included the addition of a traffic lane to Jordan Road eastbound at the junction of Canton Road with Jordan Road. <u>Chief Engineer (Priority Railway)</u>, <u>Transport Department</u>, supplemented that the traffic flow at a road junction was affected by the number of traffic lanes at that junction as well as that on the downstream roads. An increase in the number of traffic lanes at the junction would enhance its reserve capacity, enabling more vehicles to pass through the junction within the duration of each cycle of the traffic signals. The Administration would also take measures to improve the traffic flow on the downstream roads, such as Jordan Road.

- 18. Mr LEUNG Yiu-chung said he was unconvinced that the additional traffic lanes at the above road junctions could address the congestion problems along Canton Road, Austin Road, Jordan Road, Ferry Street and in the nearby areas (e.g. Nathan Road and Hung Hom). Given that the traffic on the at-grade roads had become saturated, in particular during the peak hours, he considered that only the construction of elevated carriageways and underground roads could alleviate the congestion problem in the aforementioned areas.
- 19. Concurring with Mr LEUNG that road improvement works at a few road junctions could hardly relieve the traffic congestion in the WKRD area, USTH said that a well-planned road network was essential to the development in the area. As such, the Transport Department had commissioned a consultancy study in 2008 to study the traffic need of the The study recommended a series of traffic improvement schemes, including improvement works at a number of road junctions. advised that the improvement schemes were implemented by phases with some of them already completed. Other improvement works, such as a three-layered road network near the Guangzhou-Shenzhen-Hong Kong Express Rail Link West Kowloon Terminus, were underway. Administration would continue to carry out the remaining road improvement schemes, including the proposed project under discussion, i.e. 855TH, to ensure an overall traffic improvement in the WKRD area. suggestion of constructing elevated carriageways and underground roads to improve the traffic flow, USTH advised that an underpass was being constructed near Austin Station in the WKRD area. While the project did not include an underground road beneath Canton Road, the Administration considered that in the long run, such a plan should be studied.
- 20. <u>The Chairman</u> put the item to vote. At the request of Mr Gary FAN, the Chairman ordered a division. Twenty-one members voted for and three voted against the item. The voting result was as follows:

For

Mr CHAN Kam-lam
Mr WONG Kwok-hing
Mr CHAN Kin-por
Mr Michael TIEN
Mr WU Chi-wai
Mr LEUNG Che-cheung
Miss Alice MAK
Mr Dennis KWOK
Dr Helena WONG

Ms Emily LAU
Mr CHAN Hak-kan
Mr IP Kwok-him
Mr Frankie YICK
Miss CHAN Yuen-han
Mr Kenneth LEUNG
Dr KWOK Ka-ki
Mr SIN Chung-kai
Dr Elizabeth QUAT

Dr CHIANG Lai-wan Mr Chistopher CHUNG (21 members) Ir Dr LO Wai-kwok

Against:

Mr Frederick FUNG Mr Gary FAN Mr LEUNG Kwok-hung

(3 members)

21. <u>The Chairman</u> declared that the item was endorsed by the Subcommittee. <u>Mr LEUNG Kwok-hung</u> requested that this item, i.e. 855TH, be voted on separately at the relevant FC meeting.

Head 705 – Civil Engineering

PWSC(2014-15)33 19GB

Liantang/Heung Yuen Wai Boundary Control Point and associated works—site formation and infrastructure works

- 22. The Chairman advised that the proposal, i.e. PWSC(2014-15)33, was to increase the approved project estimate of 19GB by \$8,719.9 million from \$16,253.2 million to \$24,973.1 million in money-of-the-day prices to cover the cost of the works under the project. The Chairman said that the Subcommittee had passed a motion to adjourn the discussion on the proposal at the meeting on 26 November 2014. The Administration had re-submitted the proposal and provided the justifications in a letter dated 1 December 2014, which had been circulated to members.
- 23. At the invitation of the Chairman, <u>Director of Civil Engineering and Development</u> ("DCED") briefed members on the proposal.

The need for a new boundary control point and the cost of the project

24. Mr WU Chi-wai said that the annual growth in the number of cross-boundary vehicle trips had reduced from 6% a decade before to about 1% in the past few years. Moreover, the cross-boundary daily vehicular traffic flow at the Shenzhen Bay boundary control point ("BCP") was currently far below its designed handling capacity. As such, he was concerned about the future level of utilization of the Liantang/Heung Yuen Wai ("LT/HYW") BCP and its associated infrastructure, including the proposed 11-kilometre long dual two-lane connecting road linking the BCP with Fanling Highway ("the connecting road").

- 25. Dr KWOK Ka-ki queried whether there was a need for developing a new BCP. He considered that people from the Mainland, in particular the coastal areas, could come to Hong Kong by the railway upon the commissioning of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and might not need to travel through land-based BCPs in future. He said that members of the public would find the high cost of the project unacceptable and he was opposed to the proposal. Dr KWOK held the view that the Administration should accord priority to implementing livelihood-related projects, such as development of education, medical or welfare facilities. In his view, the re-submission of the item represented that the Administration had no respect to the Subcommittee's decision made at the meeting on 26 November 2014 to adjourn the discussion on the proposal.
- 26. <u>DCED</u> said that in the past 10 years, cross-boundary passenger trips had increased by 80%. According to a recent survey undertaken by the Planning Department, about 70% of the cross-boundary patronage was made by Hong Kong residents. The most common purposes of their trips were leisure, visiting relatives, business, working, and schooling. Moreover, in August 2014, the number of daily passenger trips using the Shenzhen Bay BCP had sometimes reached its designed handling capacity of 111 000.
- 27. <u>DCED</u> continued that there was a long-term need to develop the LT/HYW BCP. In line with the planning principle of "East in East out" adopted by the Shenzhen authorities, the LT/HYW BCP, situated in the east of Hong Kong, would facilitate the passage of travellers and vehicles to and from the eastern part of the Guangdong Province. Compared with the Man Kam To BCP and the Sha Tau Kok BCP, which could hardly be further expanded due to geographical constraints, the LT/HYW BCP with its scalable design would be highly effective in coping with the traffic generated at the eastern part of Guangdong which would be commuting on the eastern expressway network being developed in the Mainland. <u>DCED</u> advised that the number of daily vehicle trips using the LT/HYW BCP after its commissioning would vary, subject to economic conditions, but was expected to reach 17 000 to 18 000 in 2030. It was estimated that by that time, the number of passenger trips using the BCP would be about 30 000.
- 28. Mr LEUNG Kwok-hung said that he had voted against the proposal at a meeting of the Panel on Development. He queried whether the benefits to be brought by the LT/HYW BCP project would outweigh the amount of public monies that had been committed to it. He commented that same as the Airport Express Railway, the West Rail and the Hong Kong-Zhuhai-Macao Bridge, the LT/HYW BCP would turn out to be a "white elephant". He remarked that the only purpose of the BCP project was for

- the Administration to realize the development plans of the Mainland authorities. Mr LEUNG said that he would vote against the proposal.
- 29. <u>DCED</u> responded that in light of previous experience with infrastructure provision in Hong Kong, he did not consider that the LT/HYW BCP would become a "white elephant". He advised that the quantifiable benefit of the project to Hong Kong in terms of savings in vehicle operation costs and value of time saved for travellers over a 32-year period (from 2018 to 2050) was estimated to be \$50 billion at 2010 prices, which was about \$20 billion more than the sum of the estimated capital cost and the recurrent expenditure of this project.
- 30. <u>Ir Dr LO Wai-kwok</u> said that the relevant committees of LegCo had already spent considerable time on discussing the proposal. He was concerned that a further delay in making a decision on whether to approve the funding proposal would impede the progress of the provision of planned infrastructure facilities at the resite area for Chuk Yuen Village, which was affected by the implementation of the LT/HYW BCP project. <u>Ir Dr LO</u> said that the Administration had already awarded a number of contracts for the implementation of the project and the construction works had commenced. The present proposal concerned an important tender under the project. He called on members to make an early decision on whether to endorse the item.

Traffic impact on local roads

- 31. Mr LEUNG Kwok-hung opined that the Administration's investment in transport infrastructure connecting with the Mainland exceeded what was needed. He said that the new BCP should be planned with the purpose of redistributing the vehicular traffic among the boundary crossings and to divert the cross-boundary traffic away from congested areas. He was concerned that, if cross-boundary vehicles came to Hong Kong in a large number through the LT/HYW BCP and the connecting road, the local road network in North East New Territories ("NENT") would be under great pressure. He enquired about the measures to be adopted by the Administration to cope with the possible traffic congestion in the area and queried whether it would be more appropriate to provide transport connections to divert the cross-boundary traffic to other parts of the territory.
- 32. <u>DCED</u> replied that in planning the development of the LT/HYW BCP, the Administration had taken into account the need to enhance the existing road network in NENT. Having regard to the results of the traffic impact assessment carried out for the planning of the BCP, the Administration had, in addition to constructing a connecting road to provide a direct access to the BCP, commenced the works for widening the relevant part of Fanling

Highway from a dual 3-lane to a dual 4-lane carriageway near the interchange with the connecting road.

- 33. Mr WU Chi-wai enquired about the additional capacity to be provided by Fanling Highway after its widening. He opined that, if the widened Fanling Highway would be able to cope with the projected traffic volume in future, the construction of the connecting road and the implementation of the LT/HYW BCP project had no urgency. Mr LEUNG Kwok-hung queried why the Administration had not accepted the suggestion to construct a rail link to enhance the transport connectivity between NENT and the western part of the territory.
- 34. <u>DCED</u> replied that there was currently a lack of major transport infrastructure in NENT. The connecting road as an expressway would be beneficial to the residents in NENT. Instead of solely relying on Sha Tau Kok Road, the residents could travel to the urban areas via the connecting road and the widened Fanling Highway in future. He advised that the additional traffic that could be accommodated by the widened Fanling Highway was about 1 400 to 1 600 vehicle trips in each bound per hour.

Consequence of disapproving the funding proposal

- 35. Mr WU Chi-wai said that the over-concentration of implementation of capital works projects at present had pushed up construction prices and hence the cost of such projects. He stressed the importance for the Administration to ensure that the volume of capital works projects would be maintained at a steady level. For the benefit of the society, the Administration should review the priorities of all the outstanding projects under the Capital Works Programme and adjust their implementation schedules. He held the view that the Administration should postpone the commissioning of the LT/HYW BCP.
- 36. Mr IP Kwok-him said that the Administration should make clear whether the suggestion to postpone the commissioning of the LT/HYW BCP was desirable in view of the large amount of public funds that had already been committed to the project. He asked about the consequence in the event that LegCo did not approve any new funding application for the BCP project.
- 37. <u>DCED</u> advised that the Administration had so far awarded three major contracts for implementing the LT/HYW BCP project. The core works under these contracts, including the site formation works for the development of the BCP, construction of an interchange at Fanling Highway and of the section of the connecting road between the interchange and Sha Tau Kok Road, were underway. Without FC's approval for the present funding

proposal, the Administration would not be able to award a major contract, i.e. Contract 6, for constructing the section of the connecting road between Sha Tau Kok Road and the BCP ("the northern section of the connecting road"). DCED said the Administration hoped that the BCP project would not be left unfinished. In the event that the Administration could not secure FC's approval for the remaining funding applications, the works completed under the awarded contracts would be mainly a formed site and a section of the connecting road. To avoid leaving these infrastructural items idle, the Administration would need to upkeep them and explore how to make good use of them.

- 38. <u>DCED</u> continued that the Administration had evaluated the postponement options for the contract for the construction of the northern section of the connecting road and had briefed the Panel on Development on the findings. He advised that the postponement options would give rise to a higher expenditure as compared with the original proposal. Taking into account the quantifiable economic benefits of the BCP project, it was estimated that the amount of financial loss arising from the postponement of the commissioning of the BCP by three years, together with the additional expenditure required for the upkeep of the completed works, would make up a total of about \$4.2 billion.
- 39. Mr Michael TIEN said the funding proposal related to the development of infrastructure works for the LT/HYW BCP, i.e. 19GB, had been endorsed by the Subcommittee in 2012. Those members who considered that the LT/HYW BCP was no longer required should provide justifications to support their views. He asked about the consequence in terms of financial loss in the event that the Administration would put a halt to the LT/HYW BCP project.
- 40. <u>DCED</u> replied that the Administration had so far awarded contracts worth \$12.3 billion for implementing the LT/HYW BCP project. Unilateral termination of these contracts would give rise to contractors' claims for monetary compensation. Moreover, for those works which were only partially completed, the Administration would still need to incur expenses for carrying out reinstatement works for the sake of public safety. <u>Mr TIEN</u> enquired whether the Administration had assessed the amount of such expenses. He considered that the information would be useful reference for members to consider whether the Administration should move ahead with the project. <u>DCED</u> responded that the information requested by Mr TIEN was not available. He said in the event that the Administration did not honour the commitments under the awarded contracts, the legal and financial consequences would be huge.

41. <u>The Chairman</u> put the item to vote. At the request of Mr Gary FAN, the Chairman ordered a division. Of the 36 members present, 35 members voted. Fifteen voted for, 20 voted against the proposal and no one abstained. The voting result was as follows:

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Mr CHAN Kam-lam
Mr TAM Yiu-chung
Mr WONG Kwok-hing
Mr CHAN Hak-kan
Mr CHAN Kin-por
Mr IP Kwok-him
Mr Michael TIEN
Mr Frankie YICK
Miss CHAN Yuen-han
Mr LEUNG Che-cheung
Miss Alice MAK
Dr Elizabeth QUAT
Ir Dr LO Wai-kwok
Mr Tony TSE

Against:

(15 members)

Mr LEE Cheuk-yan Mr James TO Mr LEUNG Yiu-chung Ms Emily LAU Ms Cyd HO Mr Frederick FUNG Mr LEUNG Kwok-hung Mr CHEUNG Kwok-che Mr WU Chi-wai Mr Albert CHAN Mr Gary FAN Mr CHAN Chi-chuen Dr Kenneth CHAN Mr Kenneth LEUNG Dr KWOK Ka-ki Mr Dennis KWOK Dr Fernando CHEUNG Mr SIN Chung-kai Dr Helena WONG Mr IP Kin-yuen (20 members)

Abstain:

(0 member)

42. <u>The Chairman</u> declared that the item was negatived by the Subcommittee.

Head 705 – Civil Engineering

PWSC(2014-15)34 751CL Planning and engineering study on Sunny Bay reclamation

43. The Chairman advised that the proposal, i.e. PWSC(2014-15)34, was to upgrade 751CL to Category A at an estimated cost of \$100.5 million in money-of-the-day prices for carrying out a planning and engineering study on reclamation at Sunny Bay and associated site investigation works. The

Subcommittee had passed a motion to adjourn the discussion on PWSC(2014-15)34 at the meeting on 26 November 2014. The Administration had re-submitted the proposal and provided the justifications in a letter dated 1 December 2014, which had been circulated to members.

- 44. At the invitation of the Chairman, <u>DCED</u> briefed members on the proposal.
- 45. <u>Ir Dr LO Wai-kwok</u> said that he was supportive of the proposal. He opined that, by carrying out the proposed study, the Administration could examine in detail the possible impacts of reclamation at Sunny Bay on the environment and fisheries resources. He said that the proposed reclamation site at Sunny Bay was selected by the Administration after taking into account public views collected during the public engagement exercise for "Enhancing Land Supply Strategy: Reclamation outside Victoria Harbour and Rock Cavern Development". Compared with proposed reclamation at other possible sites, there was a greater consensus on carrying out a study on reclamation at Sunny Bay. As reclamation could provide land for resolving livelihood problems caused by shortage of land, he considered that the Subcommittee should support the proposal.
- 46. Mr Albert CHAN said he understood that, contrary to the views given by Mr Christopher CHUNG at a previous meeting of the Subcommittee, the mariculturists at Ma Wan were strongly opposed to reclamation at Sunny Bay. He opined that, similar to past reclamation projects near North Lantau, Chok Ko Wan and Chek Lap Kok, reclamation works at Sunny Bay would have catastrophic impacts on the fish culture zone at Ma Wan, hence adversely affecting the livelihood of fishermen. Moreover, the proposed reclamation would adversely affect the marine ecology as well as the habitat of dolphins and lead to further loss of fishing grounds in Hong Kong waters. He commented that the Agriculture, Fisheries and Conservation Department all along had not fulfilled its responsibilities in facilitating the development of fisheries in Hong Kong and had paid little regard to fishermen's requests for compensation for the fish loss arising from reclamation works. He called on members to oppose the proposal.
- 47. <u>DCED</u> responded that the Administration was aware of the concern about the possible impact of reclamation at Sunny Bay on the fish culture zone at Ma Wan. However, the reclamation site was about one kilometre away from Ma Wan and had been selected by the Administration after carefully taking into account the results of relevant broad-brush assessments and a cumulative environmental impact assessment. As part of the proposed study, the Administration would examine in detail the impacts of the

proposed reclamation on fisheries resources and formulate appropriate mitigating measures to minimize the impacts.

- Deputy Head of Civil Engineering Office (Port and Land), Civil 48. Engineering and Development Department ("DH(CEO)(P&L)/CEDD") supplemented that the Administration had consulted the representatives of fishermen associations, including the mariculturists at Ma Wan on the proposal at various meetings and he himself had met with the mariculturists at Ma Wan in June 2013 and March 2014. The Administration had discussed with the mariculturists regarding their concerns on the design of seawalls and the associated wave impact on fishing operations, particularly on small fishing boats, and the measures to monitor the water quality in future, etc. While the mariculturists had expressed concerns at the meetings on the reclamation proposal, they agreed to maintaining a dialogue with the Administration on the matter. DH(CEO)(P&L)/CEDD assured members that the Administration would continue to have a close liaison with the representatives of fishermen associations when carrying out the proposed study. He continued that the Administration had conducted a preliminary assessment, with the aid of computer modeling, concerning the impact of the proposed reclamation at Sunny Bay on fisheries resources, particularly on the water quality and the fish culture zone at Ma Wan. Preliminary findings of the assessment indicated that the impact was not significant.
- 49. Mr LEUNG Kwok-hung shared Mr Albert CHAN's concerns about the adverse impact of reclamation at Sunny Bay on fisheries operations. He queried if reclamation projects were undertaken by the Administration to form new land to satisfy the interest of the consortia. Mr LEUNG held the view that the Administration should make use of the existing vacant land or under-utilized sites over the territory to cater for development needs. The Administration should also consider invoking Article 105 of the Basic Law to acquire the agricultural land currently hoarded by developers and left vacant for more than two years.
- 50. In response, <u>DCED</u> advised that the Administration had adopted a multi-pronged approach, including the option of reclamation outside Victoria Harbour, to increasing land supply. He said that in the last few decades of the twentieth century, reclamation had been a vital means of land supply in Hong Kong and about 500 to 700 hectares of land had been formed by reclamation every five years to address the need for land resources. At present, the total area of reclaimed land in Hong Kong was about 68 square kilometres, enabling new towns, such as Sha Tin, Tai Po and Tseung Kwan O, to be developed, providing housing for 27% of the population as well as 70% of the total office floor area.

- 51. <u>Dr Fernando CHEUNG</u> said that the reclamation project near Chok Ko Wan that had been completed a long time ago had provided about 280 hectares of land but about one-third of the reclaimed land was lying idle. He queried whether it was necessary for the Administration to undertake a new reclamation project nearby. In response to Dr CHEUNG's enquiry about the types of developments to be provided on the reclaimed land near Chok Ko Wan and the relevant timetable, <u>DCED</u> advised that presumably Dr CHEUNG was referring to the reclamation at the eastern part of Lantau. The reclamation had been carried out by the Administration in two stages to provide land for the development of the Hong Kong Disneyland International Theme Park. While the Theme Park had been making new development initiatives on the land reclaimed under the first stage, the land formed under the second stage was reserved for possible further expansion of the Theme Park. He added that, under the Revised Concept Plan for Lantau, a leisure and entertainment node had been indicated at Sunny Bay. The uses of the land to be reclaimed at Sunny Bay would be subject to detailed planning under the proposed study.
- 52. <u>The Chairman</u> put the item to vote. At the request of Mr Gary FAN, the Chairman ordered a division. Of the 36 members present, 35 members voted. Sixteen voted for, 19 voted against the proposal and no one abstained. The voting result was as follows:

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Mr CHAN Kam-lam Mr TAM Yiu-chung Mr Abraham SHEK Mr WONG Kwok-hing Mr CHAN Hak-kan Mr CHAN Kin-por Mr Michael TIEN Mr IP Kwok-him Mr Frankie YICK Miss CHAN Yuen-han Mr LEUNG Che-cheung Miss Alice MAK Dr Elizabeth QUAT Ir Dr LO Wai-kwok Mr Christopher CHUNG Mr Tony TSE (16 members)

Against:

Mr LEE Cheuk-yan Mr James TO Mr LEUNG Yiu-chung Ms Emily LAU Mr Frederick FUNG Ms Cyd HO Mr LEUNG Kwok-hung Mr CHEUNG Kwok-che Mr WU Chi-wai Mr Albert CHAN Mr Gary FAN Mr CHAN Chi-chuen Dr Kenneth CHAN Mr Kenneth LEUNG Mr Dennis KWOK Dr Fernando CHEUNG

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Mr SIN Chung-kai Mr IP Kin-yuen (19 members) Dr Helena WONG

Abstain: (0 members)

53. <u>The Chairman</u> declared that the item was negatived by the Subcommittee.

Any other business

Action

54. There being no other business, the meeting ended at 12:44 pm.

Council Business Division 1 <u>Legislative Council Secretariat</u> 13 February 2015