

立法會
Legislative Council

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**Public Works Subcommittee of the Finance Committee
of the Legislative Council**

**Minutes of the 11th meeting
held in Conference Room 1 of the Legislative Council Complex
on Tuesday, 10 February 2015, at 8:30 am**

Members present:

Hon Alan LEONG Kah-kit, SC (Chairman)
Hon WU Chi-wai, MH (Deputy Chairman)
Hon Albert HO Chun-yan
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 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
Dr Hon LEUNG Ka-lau
Hon IP Kwok-him, GBS, JP
Hon Paul TSE Wai-chun, 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 Charles Peter MOK, JP
Hon CHAN Chi-chuen
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Alice MAK Mei-kuen, JP
Dr Hon KWOK Ka-ki
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon SIN Chung-kai, SBS, JP
Hon IP Kin-yuen
Dr Hon Elizabeth QUAT, JP
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-ki, BBS, MH, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Tony TSE Wai-chuen, BBS

Members absent:

Hon Frederick FUNG Kin-kee, SBS, JP
Hon Ronny TONG Ka-wah, SC
Hon CHEUNG Kwok-che
Hon CHAN Han-pan, JP
Hon Kenneth LEUNG
Hon Dennis KWOK
Dr Hon Helena WONG Pik-wan

Public officers attending:

Mr YEUNG Tak-keung, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Mr WAI Chi-sing, JP	Permanent Secretary for Development (Works)
Mr Thomas CHAN Chung-ching, JP	Deputy Secretary for Development (Planning 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 Joyce NG Suet-yee	Chief Estate Surveyor (Acquisition) Lands Department
Mr LEUNG Koon-kee	Director of Architectural Services
Mr HUI Chiu-kin	Assistant Director (Property Services) (Acting) Architectural Services Department
Mr Daniel CHUNG Kum-wah	Director of Drainage Services
Mr HON Chi-keung	Director of Civil Engineering and Development
Dr Ellen CHAN Ying-lung	Assistant Director (Environmental Infrastructure) Environmental Protection Department
Mr Elvis AU Wai-kwong	Assistant Director (Nature Conservation and Infrastructure Planning) Environmental Protection Department
Dr Alain LAM Kwok-lun	Principal Environmental Protection Officer (Waste Management Policy) Environmental Protection Department
Mr CHUI Wing-wah	Deputy Director Highways Department
Mr Raymond KONG Tai-wing	Chief Engineer (1) (Major Works) Highways Department
Miss Charmaine WONG	Assistant Director (2) Home Affairs Department
Mr Martin KWAN Wai-cheong	Chief Engineer (Works) Home Affairs Department
Ms Eva YAM Ya-ling	Deputy Secretary-General (1) University Grants Committee Secretariat

Mr LEE Kam-yuen	Chief Maintenance Surveyor (School Premises Maintenance) Education Bureau
Mr Samuel FAN Kim-fung	Senior Property Services Manager (School Works Section) Education Bureau
Dr LAI Shu-ming	Head of Estates, Health and Safety Division Vocational Training Council
Mr KOK Che-leung	Assistant Director (Subventions) Social Welfare Department
Mr Kenneth WOO Chi-man	Chief Executive Officer (Subventions/Planning) Social Welfare Department
Mr Enoch LAM Tin-sing	Director of Water Supplies
Mr Victor LAM Wai-kiu	Deputy Government Chief Information Officer (Consulting and Operations) Office of the Government Chief Information Officer
Mr LO Kwok-kong	Chief Civil Engineer (Public Works Programme) Transport and Housing Bureau
Mr TAI Wai-man	Chief Engineer (Project Management) Drainage Services Department
Miss Amy YUEN Wai-yin	Assistant Director (Water Policy) Environmental Protection Department

Clerk in attendance:

Ms Sharon CHUNG	Chief Council Secretary (1)2
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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
Ms Christina SHIU	Legislative Assistant (1)2
Ms Christy YAU	Legislative Assistant (1)7
Ms Haley CHEUNG	Legislative Assistant (1)9

Action

The Chairman advised that there were three funding proposals on the agenda for the meeting and they were the items carried over from the previous meeting. The Chairman 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.

Capital Works Reserve Fund Block Allocations

PWSC(2014-15)52 — Block allocations for Heads 701 to 711 under the Capital Works Reserve Fund

2. The Chairman advised that the proposal was to seek the approval of the Finance Committee ("FC") for a total allocation of \$12,204.7 million for 2015-2016 for the block allocations under the Capital Works Reserve Fund ("CWRF"); an increase in the approved allocation for Subhead 4100DX under Head 704 for 2014-2015 by \$47.5 million; and an increase in the approved allocation for Subhead 9100WX under Head 709 for 2014-2015 by \$60 million.

3. The Chairman further advised that the Administration had consulted the Panel on Development on the proposal on 25 November 2014. The Transport and Housing Bureau had consulted the Panel on Transport on 25 November 2014 on the implementation of the Universal Accessibility Programme under Subhead 6101TX under Head 706 – Highways. As regards the proposed allocation for the block vote under Head 710 – Computerization, the Office of the Government Chief Information Officer had consulted the Panel on Information Technology and Broadcasting on 10 November 2014. The Chairman said that members of the three Panels supported the submission of the funding proposal to the Subcommittee for

consideration. A report on the gist of the Panels' discussions had been tabled at the meeting.

4. At the invitation of the Chairman, Principal Assistant Secretary (Treasury) (Works), Financial Services and the Treasury Bureau ("PAS(Tsy)(W)/FSTB") briefed members on the proposal. She advised that the block allocation subheads covered a wide range of projects including landslip preventive works, refurbishment of government buildings, drainage works, waterworks, highways maintenance, minor works for universities, schools and welfare facilities, as well as pre-construction works for Category B projects, involving about 9 000 projects for implementation in 2015-2016. PAS(Tsy)(W)/FSTB supplemented that for more efficient use of meeting time of FC, since 1983, the Administration had been seeking FC's funding approval in a one-off manner for the provisions required for CWRP block allocations in the coming financial year on an annual basis. She said that the Administration had to obtain funding approval from FC for the 2015-2016 provisions by the end of the current financial year (i.e. by 31 March 2015), lest over 7 000 ongoing works projects would need to be suspended and more than 1 000 new projects could not commence. She added that it was the Administration's plan to submit the funding application for the block allocations to FC on 27 February 2015.

5. The Chairman advised that he had received three letters about the proposal from Dr KWOK Ka-ki, Mr WU Chi-wai and Mr Gary FAN respectively on 3 February 2015. Copies of the letters had been forwarded to members vide LC Papers Nos. PWSC 90/14-15(01), (02) and 91/14-15(01). The Administration had provided a written response (Chinese version only) to the three letters, which had been circulated to members on 9 February 2015 vide LC Paper No. PWSC99/14-15 and had been tabled at the meeting.

(Post-meeting note: The English version of the Administration's response was circulated to members on 12 February 2015.)

Requests for separate voting on individual items under the proposal

6. Mr Gary FAN said he had requested in his letter to the Chairman dated 3 February 2015 (LC Paper No. PWSC91/14-15(01)) that four items under the proposal (PWSC(2014-15)52), namely "Liantang/Heung Yuen Wai Boundary Control Point and associated works (connecting road)", "Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link", "Liantang/Heung Yuen Wai Boundary Control Point and associated works (site formation and civil works)", and "Hong Kong-Zhuhai-Macao Bridge Hong Kong Link Road" (under Head 701 (Land Acquisition) Subhead 1100CA (Compensation and Ex-gratia Allowances in respect of Projects in

the Public Works Programme)), be taken out for separate voting. He had made the request in the light of the repeated cost-overrun of large-scale infrastructure projects, including the aforementioned items, in the past few years, which reflected the Administration's inadequate control over the costs of public works projects. Moreover, the Administration had all along disregarded the impacts of its mega development projects on the local residents and fishermen. He believed that his suggestion, if accepted by the Subcommittee, would allow members to closely examine the Administration's expenditures on certain individual items under CWRP block allocations. Mr FAN recalled that at the Subcommittee's meeting on 18 December 2013, when the Subcommittee was examining the proposal on CWRP block allocations for 2014-2015, he had put up a similar suggestion with respect to the project "Southeast New Territories landfill extension - consultancy study for design and construction". However, the then Subcommittee Chairman had rejected his suggestion. He considered the decision unfair.

7. Mr Christopher CHUNG said that the four items referred to in Mr Gary FAN's letter were related to the Administration's initiatives to facilitate the transport connectivity between Hong Kong and the Mainland. These projects were beneficial to the socio-economic interaction between Hong Kong and the Mainland. The suggestion to take out these items for separate voting would slow down the Subcommittee's examination of the proposal and would cause delay to the implementation of the concerned works projects, possibly resulting in escalation of project costs.

8. Mr Albert CHAN said that while most items under the block allocation subheads were not objectionable, some items, such as the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") project, were highly controversial and should not be supported. He commented that the Administration's practice of seeking the Subcommittee's endorsement of CWRP block allocations on a lump-sum basis every year had rendered it difficult for members to reject the funding requests in respect of individual block allocation items. Dr KWOK Ka-ki expressed a similar view. He said he had suggested in his letter dated 3 February 2015 to the Chairman that three items, namely, "Liantang/Heung Yuen Wai Boundary Control Point and associated works (connecting road)", "XRL" and "Liantang/Heung Yuen Wai Boundary Control Point and associated works (site formation and civil works)" under Head 701 Subhead 1100CA should be singled out for separate voting.

9. Mr WONG Kwok-hing said that he was supportive of the proposal. He recalled that the existing practice of deliberating and voting on the proposed block allocations on a lump-sum basis had been adopted by the Subcommittee for a long time. The Administration had consulted the

relevant Panels on the proposal and obtained their support. He called on members to support the proposal. Mr WONG commented that in the current session, the Subcommittee so far had not endorsed any new funding proposals, except those carried over from the meetings of the previous session. He was concerned that if the Subcommittee did not endorse the proposal under consideration, the Administration could not move ahead with more than 7 000 ongoing projects, many of which were livelihood-related. Mr WONG enquired about the consequences in the event that the Subcommittee did not endorse the proposal within the current financial year.

10. In response, PAS(Tsy)(W)/FSTB advised that if funding approval could not be obtained by the end of the current financial year, over 7 000 ongoing works projects would need to be suspended and more than 1 000 new projects could not commence. Project implementation would be affected if funding approval could not be obtained by then, which in turn would affect the Administration's services to members of the public. Subject to the specific circumstances and contractual arrangements of the ongoing projects, failure to obtain funding in time might also hinder the Administration from carrying out its obligations under the contracts already committed.

11. Dr Fernando CHEUNG said he supported the suggestions of Dr KWOK Ka-ki and Mr Gary FAN that certain projects, such as the construction of the Liantang/Heung Yuen Wai Boundary Control Point ("LT/HYW BCP") and XRL, listed in the Administration's paper should be taken out for separate voting, having regard to the fact that severe cost overrun had occurred for these projects. Dr CHEUNG considered that the Subcommittee should not rush to approve all the funding proposals submitted by the Administration. He stressed that the purpose of holding meetings to deliberate the Administration's proposals was to allow members to carefully examine them and to raise questions to the Administration before deciding whether to endorse them.

Compensation for residents and fishermen affected by land development projects

12. Mr Albert CHAN said that the Administration had yet to resolve many policy and regulatory issues arising from the implementation of its land development projects, including land resumption and compensation arrangements. He cited the case of the resumption of Wah Kai Industrial Centre as an example and commented that, for more than a decade, the Administration had paid no regard to the requests of the affected industrial operators for resolving their compensation claims. The clearees affected by the projects under Head 701 were facing similar problems. He urged the

Administration to adopt the practice in Canada and Australia to put in place mediation and arbitration schemes to handle the disputes arising from land resumption.

13. In response, Permanent Secretary for Development (Planning and Lands) ("PS/DEV(P&L)") said that for Wah Kai Industrial Centre, the outstanding claims were being processed as statutory compensation for the land resumed but not as ex-gratia compensation for the land resumed. The Administration would welcome and be prepared to examine any suggestions related to the subject policy.

14. Dr KWOK Ka-ki and Mr Gary FAN were of the view that the Administration should study ways to improve the compensation arrangements for those affected by land resumption in new development areas. Mr FAN was concerned about the impacts of implementation of public works projects, including the four projects referred to in his letter, on local residents. Citing the construction of XRL as an example, he opined that the Administration had all along disregarded the impact of the project since its commencement on the livelihood of the residents of Choi Yuen Village. Due to the poor planning of the XRL project, the residents had been forced to move out of their homes before the site for the reprovisioning of the village was ready. The residents of Choi Yuen Village were classified as non-indigenous villagers ("non-IVs"), who were not entitled to the same compensation packages provided to indigenous villagers ("IVs"), and could only receive a one-off special ex-gratia allowance approved at the discretion of the Secretary for Transport and Housing. He said that, to address the needs of IVs affected by land resumption under land development projects, apart from granting compensation, the Administration should give full assistance to them throughout the village resite process.

15. PS/DEV(P&L) clarified that the four mentioned items involved three projects, the ex-gratia allowances for all three projects were paid according to the arrangements approved by FC. The Lands Department would arrange payment of the cash allowance in accordance with FC's approval. Turning to the compensation under the statutory provisions, the Lands Tribunal was the statutory authority to determine the compensation amount. Chief Estate Surveyor (Acquisition), Lands Department ("CES(A)/LandsD") supplemented that the fund application under Head 701 was to meet the payment for compensation and ex-gratia allowances arising from land resumption and not for works. The eligibility criteria and basis of assessment had been approved by FC.

16. Mr Gary FAN said that the Administration had not honoured its undertaking to provide a 2-hectare community farm site for the villagers

affected by the XRL project to continue their farming practice. He opined that the Administration had the responsibility to provide agricultural land for the management of non-profit-making organizations to facilitate the continuation of farming activities in Hong Kong.

17. Mr LEUNG Kwok-hung said that the construction works under the XRL project had adversely affected the quality of the water in Yau Tam Mei Tsuen and hence the livelihood of the villagers engaging in fish breeding business. He expressed dissatisfaction with the Administration's view that the incident was not related to the works carried out for the XRL project.

18. Mr Gary FAN pointed out that under the existing arrangement, fishermen affected by marine works in Hong Kong waters resulting in temporary loss of fishing grounds could receive only about 40% of the rates of the allowance received by those affected by marine works resulting in permanent loss of fishing grounds. He said that the marine works arising from the construction of the Hong Kong-Zhuhai-Macao Bridge Hong Kong Link Road had affected the marine ecology, as illustrated by the reduction in the number of Chinese White Dolphins living in the waters off the northeast and northwest of Lantau Island. This effect, together with the delay in the implementation of the project, would mean that the fishermen operating in the area would suffer from loss of fishing grounds for a very long time. However, the loss of these fishermen was considered temporary by the Administration. He held the view that the levels of compensation for the fishermen affected by marine works resulting in permanent loss of fishing grounds and those suffering from temporary loss of fishing grounds should be the same.

19. Mr Christopher CHUNG said that the Administration had put in place the mechanism for granting ex-gratia allowance to fishermen affected by marine works since 1993 after taking into account the views of the fisheries industry. While he agreed that the Administration might consider enhancing the mechanism, he held the view that Mr FAN's suggestion, if accepted by the Subcommittee, to take away certain projects under the block allocation proposal for separate voting, would defer the payment of such allowance to the eligible fishermen affected by these projects.

20. Dr KWOK Ka-ki said that the Administration had not fully addressed the concerns of the clearerees, in particular the elderly villagers, affected by land clearance exercises. Unlike IVs, non-IVs such as the residents of Chuk Yuen South affected by the LT/HYW BCP project could only receive a one-off special ex-gratia allowance upon clearance of the village. The amount of the allowance was inadequate to meet the rehousing needs of non-IVs. Dr KWOK opined that the Administration should increase the

amount of the allowance and help non-IVs resolve the practical difficulties encountered in re-establishing their new homes and resuming their farming practices.

21. PS/DEV(P&L) advised that the payment of the special ex-gratia allowance (in connection with LT/HYW BCP and associated works (connecting road, site formation and civil works)) was processed in accordance with the approval by FC. There was a Cottage House Option available to eligible non-IVs of Chuk Yuen Village. In fact, at the time when the special ex-gratia allowance package for the LT/HYW BCP project was submitted to the Panel on Development for discussion, the Chairman of the Chuk Yuen Village Residents Relocation Committee had written to the then Chairman of the Panel on Development expressing their support for the special ex-gratia allowance. Moreover, about a month or so ago, various government officials had received letters of appreciation from the non-IVs of Chuk Yuen Village expressing their gratitude to them and government departments for assisting them with the building of the cottage houses.

22. Mr WU Chi-wai enquired whether the Administration would restart discussion with LegCo on the issues arising from the existing compensation arrangements for clearerees affected by the Administration's land development projects. He also suggested that, to facilitate the Subcommittee to decide whether to endorse the items under Head 701, the Administration should update members on the progress of the village reprovisioning works that had been committed. He requested the Administration to provide details and progress of the compensation and rehousing arrangements for non-IVs affected by the LT/HYW BCP Project.

23. PS/DEV(P&L) advised that the compensation and ex-gratia allowance arrangements followed that approved by FC. He agreed that details of the arrangements and the progress could be provided after the meeting as requested by Mr Wu.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. PWSC114/14-15(01) on 25 February 2015.)

24. Mr WU Chi-wai noted that the Administration had completed the land clearance and resumption process for some of the items under Head 701 but had yet to release compensation payment to the affected land owners. He enquired whether the land owners were entitled to receiving interest payment under such circumstances. He also asked how the compensation payment offered to the affected land owners was worked out.

25. CES(A)/LandsD advised that interest would be payable for the compensation amount for land resumed, which would be calculated from the day the land reverted to the Government up to the day of receipt of the compensation amount. The compensation would be assessed in accordance with the principles laid down in the Lands Resumption Ordinance. Broadly speaking, the compensation would be the open market value of the land resumed. When assessing the amount of compensation, reference would be made to factors such as the lease conditions governing the land and planning restrictions.

26. Dr Fernando CHEUNG said that the reclamation project near Penny's Bay completed a long time ago had provided about 280 hectares of land. He queried about the amount of the reclaimed land that was still lying idle. Noting that the Administration had proposed to earmark about \$1 billion for reclamation at Penny's Bay under the present proposal, he enquired about the justification for the proposed funding.

27. Director of Civil Engineering and Development replied that the Administration had completed the reclamation works at Penny's Bay some years before. The reclamation had been carried out in two stages to provide land for the development of the Hong Kong Disneyland International Theme Park. While the Theme Park had been in operation on the land reclaimed under the first stage, new development initiatives were also being put forward. The land formed under the second stage, with an area of about 60 hectares, was currently being reserved for possible future expansion of the Theme Park.

28. CES(A)/LandsD advised that the fund was reserved for the payment of the compensation relating to the compensation claim for the Penny Bay's Reclamation Works, which concerned the extinguishment of marine right of a private land.

29. Dr CHEUNG enquired whether under the established procedure, there was a need for the Administration to apply for the proposed fund in advance, while the court had yet to hand down the judgment on the case mentioned by CES(A)/LandsD.

30. CES(A)/LandsD replied that the compensation claim was still being considered by the court and no determination had been received yet. Once a decision was received and accepted, LandsD would have to arrange payment of compensation as soon as possible.

31. Mr CHAN Kam-lam said that in examining a funding proposal, members had the duty to take into account different interests in the society. In the process of the examination, members raised questions to the Administration on the proposal and then, in light of the Administration's response, made a decision on whether to endorse the proposal. He held the view that it was against the public's expectation for members to use every means to filibuster, causing delay in the implementation of the proposal and possibly giving rise to additional costs for the projects. With respect to the concerns about the amount of compensation for the residents affected by the Administration's land clearance exercises, he considered that while members should pay due regard to the aspirations of the affected residents to receive a higher amount of compensation, they also have the duty to monitor the use of public monies.

32. Dr KWOK Ka-ki opined that members should take into account the hardship faced by the villagers under the existing land resumption and compensation policies when examining the present proposal. Although the existing compensation arrangements were put in place after obtaining the FC's approval, the Administration should review the arrangements as and when necessary and commence discussion with LegCo on the subject. He considered that the review should be carried out in a timely manner in the light of a series of land clearance exercises to be carried out soon under proposed development projects in North East New Territories, Hung Shui Kiu and Yuen Long South. He enquired whether the Administration would review the relevant policies pursuant to members' requests.

33. The Chairman said that he had received two motions (numbered 001 and 002 respectively) proposed by Mr Gary FAN under paragraph 32A of the Procedure of the Public Works Subcommittee ("PWSC"). He ruled that the proposed motions were directly related to the agenda item. He said, if the Subcommittee agreed that the motions should be proceeded forthwith, Dr KWOK might consider expressing his further views on the subject when speaking on the motions.

Motions proposed under paragraph 32A of the PWSC Procedure

Proposed motion numbered 001

34. The Chairman said that the Subcommittee would consider whether to proceed forthwith proposed motion numbered 001. The wording of the motion was as follows:

(Translation)

"That, as only land owners and registered squatter households could receive huge compensation in past compensation packages for land resumption under the Guangzhou-Shenzhen-Hong Kong Express Rail Link project and the Liantang/Heung Yuen Wai Boundary Control Point project, and the remaining ineligible households, such as non-indigenous residents, could only receive a one-off special ex-gratia allowance approved at the discretion of the Secretary for Transport and Housing in the absence of protection in terms of policy even if they had, like Choi Yuen Tsuen villagers, settled down for more than 40 years, this Subcommittee suggests that the Government should study ways to improve the compensation model for land resumption in new development areas so that non-indigenous residents who have lived in the area for many years can also receive the same compensation as land owners do, in order to prevent a recurrence of the situation where Choi Yuen Tsuen villagers could not receive support from the Government even though they faced difficulties in planning to build a new village after receiving the one-off compensation."

35. The Chairman put the question of whether proposed motion numbered 001 should be proceeded forthwith to vote. Mr TAM Yiu-chung requested a division and the voting bell was rung for five minutes. Of the 28 members present, 27 members voted. Sixteen voted for, 11 voted against the proposal and no one abstained. The voting result was as follows:

For:

Mr Albert HO
Mr LEUNG Yiu-chung
Prof Joseph LEE
Mr LEUNG Kwok-hung
Mr Gary FAN
Mr CHAN Chi-chuen
Dr KWOK Ka-ki
Mr SIN Chung-kai
(16 members)

Mr James TO
Ms Emily LAU
Ms Cyd HO
Mr Albert CHAN
Mr Charles Peter MOK
Dr Kenneth CHAN
Dr Fernando CHEUNG
Mr IP Kin-yuen

Against:

Mr CHAN Kam-lam
Mr Abraham SHEK
Mr CHAN Kin-por
Mr Paul TSE
Miss Alice MAK

Mr TAM Yiu-chung
Mr WONG Kwok-hing
Mr IP Kwok-him
Mr Michael TIEN
Mr Christopher CHEUNG

Mr Christopher CHUNG
(11 members)

Abstain:
(0 member)

36. The Chairman declared that the question was carried. He said that each member could speak on the motion for not more than three minutes.

37. Mr Gary FAN urged that the Administration should review and improve the existing land resumption and compensation arrangements and address the concerns about the inadequate compensation to fishermen for the loss of fishing grounds resulting from the Administration's marine works. He said that if the two motions moved by him were carried at the meeting, he would not insist on requesting that the four items referred to in his letter be taken out for separate voting.

38. Mr LEUNG Kwok-hung said that members should pay due regard to the livelihood of fishermen in view of their past contribution to the development of Hong Kong and should safeguard their interest against the unfair compensation policies adopted by the Administration.

39. Dr KWOK Ka-ki said that he supported the two motions proposed by Mr Gary FAN. He opined that non-IVs were not adequately protected under the existing land resumption and compensation policies. They had settled down in their villages for many years and their livelihood was closely related to the existence of the villages.

40. Mr Albert CHAN said that members belonging to People Power supported the two motions proposed by Mr Gary FAN. He opined that the Administration should conduct a comprehensive review on the land resumption and compensation mechanism given that the relevant rules, policies and procedures currently adopted by the Administration under the mechanism were mostly unreasonable and were not in compliance with the principle of democracy.

41. Mr James TO subscribed to the view that the Administration should review the land resumption and compensation arrangements. He said that as an increasing number of people had moved to live in rural villages over the years and had settled down for a period comparable to that of IVs, the Administration's practice of providing different compensation packages to IVs and non-IVs for reasons other than the length of their occupancy in the concerned villages was not acceptable and had failed to keep pace with the development of the society.

42. Ir Dr LO Wai-kwok said that the views set out in the motion were about policy issues. Given that there were a total of 26 block allocation subheads under CWRP covering a large number of projects, discussion on the policy issues related to these projects could be endless. He did not agree that motions related to policy issues should be allowed under the agenda item "Block Allocations for Heads 701 to 711 under CWRP". He held the view that the deliberation on such motions would only slow down the examination of the item. The Chairman said that Ir Dr LO's views had been noted.

43. At the invitation of the Chairman, PS/DEV(P&L) responded to the motion. He advised that the payment under Subhead 1100CA comprised two main types. One was for the payment of compensation for the land resumed to the land owners. Whether the owner was an IV or not was irrelevant. The other one was the payment of ex-gratia allowances. Again, whether the payee was an IV or not was irrelevant. The suggestion that any non-IVs should receive the same compensation as that for land owners would not be acceptable as a matter of principle.

44. The Chairman put the motion (numbered 001) to vote. Mr Gary FAN requested a division and the voting bell was rung for five minutes. Of the 30 members present, 29 members voted. Seventeen voted for, 12 voted against the proposal and no one abstained. The voting result was as follows:

For:

Mr Albert HO
Mr James TO
Ms Emily LAU
Ms Cyd HO
Mr Albert CHAN
Mr Charles Peter MOK
Dr Kenneth CHAN
Dr Fernando CHEUNG
Mr IP Kin-yuen
(17 members)

Mr LEE Cheuk-yan
Mr LEUNG Yiu-chung
Prof Joseph LEE
Mr LEUNG Kwok-hung
Mr Gary FAN
Mr CHAN Chi-chuen
Dr KWOK Ka-ki
Mr SIN Chung-kai

Against:

Mr CHAN Kam-lam
Mr Abraham SHEK
Mr CHAN Kin-por
Mr Paul TSE
Miss Alice MAK
Dr CHIANG Lai-wan
(12 members)

Mr TAM Yiu-chung
Mr WONG Kwok-hing
Mr IP Kwok-him
Mr Michael TIEN
Mr Christopher CHEUNG
Ir Dr LO Wai-kwok

Abstain:
(0 member)

45. The Chairman declared that the motion was carried.

Proposed motion numbered 002

46. The Chairman said that proposed motion numbered 002 was directly related to the agenda item under discussion. The wording of the motion was as follows:

(Translation)

"That, as reclamation works will affect the water flow and its impact on marine ecology will persist after the completion of the works, making it hard for the fish catch in the fishing grounds to revert to the level before the works commencement; also, given that delays in infrastructure works are prevalent, fishermen being affected by marine works resulting in a temporary loss of fishing grounds may imply that they will lose such fishing grounds permanently in future; in the absence of support by actual data to justify the ratio currently adopted by the Government for calculating the respective rates of the ex-gratia allowance for affected fishermen in respect of marine works resulting in a permanent or temporary loss of fishing grounds; this Subcommittee suggests the Government to consider relaxing the existing requirement that fishermen affected by marine works in Hong Kong waters resulting in a temporary loss of fishing grounds can receive only about 40% of the rates of the ex-gratia allowance for those fishermen who are affected by marine works resulting in a permanent loss of fishing grounds."

47. The Chairman put the question on whether proposed motion numbered 002 should be proceeded forthwith to vote. The question was carried. The Chairman invited members to speak on the motion. As no members or representatives of the Administration indicated that they would speak, the Chairman put the motion to vote. The motion was carried.

(Post-meeting note: The Chinese and English versions of the Administration's response to the motions were circulated to members vide LC Paper No. PWSC106/14-15(01) on 24 and 25 February 2015 respectively.)

48. There being no further questions from members on the item, i.e. PWSC(2014-15)52, the Chairman put the item to vote.

49. The item was voted on and endorsed.

50. The Chairman consulted members on whether the item would require separate discussion and voting at the relevant FC meeting. No member made such a request.

Head 704 – Drainage

PWSC(2014-15)49 160DS Tuen Mun sewerage, stage 1

346DS Upgrading of Tuen Mun sewerage, phase 1

51. The Chairman said that the proposal, i.e. PWSC(2014-15)49, was to upgrade part of 160DS and part of 346DS to Category A at an estimated cost of \$722.5 million in money-of-the-day prices for implementing sewerage works in seven unsewered areas and Siu Lam in Tuen Mun. The Panel on Environmental Affairs had been consulted on the proposal on 28 April 2014 and Panel members in general supported the submission of the proposal to the Subcommittee for consideration. A report on the gist of the Panel's discussion had been tabled at the meeting.

52. At the invitation of the Chairman, Director of Drainage Services ("DDS") briefed members on the proposal.

53. Considering that the proposed sewerage works would improve the sanitary conditions of the unsewered village areas, Ir Dr LO Wai-kwok expressed support for the proposal. He said that the proposal had been put on the agenda of the Subcommittee's meetings in the previous legislative session but the discussion on the proposal had been delayed. He commented that delay in examination of funding proposals on public works projects would possibly give rise to increases in project costs and affect the commencement of works projects which would improve people's livelihood. He held the view that the Subcommittee should accelerate its work on examining the funding proposals submitted by the Administration.

Village sewer connection

Requirement for village house owners to carry out house connection works

54. Mr Albert HO considered that the proposal was conducive to the improvement of the environment of the seven villages covered by the project

("the seven villages"). He enquired whether the village house owners concerned would be willing to connect to the public sewers to be constructed under the project, and whether it was mandatory for them to do so. He also asked if the Administration would provide assistance to village house owners who could not afford the costs of the house connection works. Pointing out that many villagers of the seven villages were elderly people, Mr HO called on the Administration to provide assistance as far as possible. Mr LEUNG Kwok-hung echoed Mr HO's view.

55. DDS responded that public sewers would be laid close to village houses covered by the village sewerage programme, and owners of village houses would be required to convey wastewater arising from their premises to the public sewers by constructing a short section of pipe at their own costs. Assistant Director (Water Policy), Environmental Protection Department ("AD(WP)/EPD") added that upon the completion of the construction of public sewers, the Administration would, under the Water Pollution Control (Sewerage) Regulation (Cap. 358AL), issue notices to the village house owners concerned requiring them to arrange house connection works within 6 to 12 months. The Administration would allow those village houses with technical difficulties in making house connection to continue to rely on septic tanks to treat the sewage produced in their premises. Village house owners with difficulties in meeting the costs of house connection could apply for financial assistance under the Building Maintenance Grant Scheme for Elderly Owners ("BMGSEO") administered by the Hong Kong Housing Society or the Building Safety Loan Scheme ("BSLS") operated by the Buildings Department. In response to Dr KWOK Ka-ki's enquiry on the adequacy of the financial assistance under such schemes, AD(WP)/EPD advised that the maximum amount of grant under BMGSEO to an eligible applicant was \$40,000, and the maximum amount of loan under BSLS was \$1,000,000, both of which should be sufficient to cover the cost of house connection works, usually at around \$10,000.

Connection rate of village houses to public sewers

56. Mr Albert CHAN declared interest that he lived in a village house which would be covered by the Administration's village sewerage programme. He requested the Administration to provide: (a) a table showing the connection rates of village houses (to be categorized by village) to the public sewers under the village sewerage programme in the past 10 years, and (b) for the houses not yet connected to the public sewers, the reasons for such in each individual case. Dr KWOK Ka-ki enquired about the expected connection rate of the village houses covered by the proposed project. He considered that the Administration should step up its efforts in improving the connection rates.

(*Post-meeting note*: The Administration's supplementary information was circulated to members on 26 February 2015 vide LC Paper No. PWSC120/14-15(01).)

57. AD(WP)/EPD advised that the average connection rate of village houses in different areas was around 80%. She explained that, based on past experience, the main reasons for village houses not making connection to the public sewers included limited space, inadequacy of hydraulic gradient, costly pumping requirement, obstruction from underground utilities and encroachment on others' private land, etc. AD(WP)/EPD further advised that the Administration had consulted the Tuen Mun District Council and the Village Representatives concerned on the project. They were supportive of the project and understood that the village house owners concerned had to bear the costs of house connection works. It was envisaged that the connection rate would be satisfactory. DDS supplemented that 72% of the village houses in the seven villages could technically be connected to the public sewers to be provided under the project. For those village houses unable to be connected, the main hindrance was that the connection works would encroach upon others' private land.

58. Noting that the cost of house connection works was minor in comparison with the cost of the proposed project, Mr Albert CHAN enquired whether the Administration would consider changing its existing policy of requiring village house owners to make house connection at their own costs. He said that under the existing policy, some village house owners could be subject to prosecution actions under the Water Pollution Control (Sewerage) Regulation even if they had genuine difficulties in carrying out house connection works. Moreover, without comprehensive house connection, the money and efforts spent on the village sewerage programme would become futile. He considered that the Administration should provide sewer connection to each village house covered by the village sewerage programme.

59. Dr CHIANG Lai-wan asked about the number of village houses to be benefited from the proposed project and the estimated project cost per village house. DDS advised that the cost of providing sewerage facilities to the seven villages serving a total of 617 village houses was around \$300 million, and the average cost per village house was some \$500,000. Dr CHIANG held the view that the Administration should facilitate house connection to the public sewers to ensure that the village sewage programme was a value-for-money project.

60. Deputy Director (1), Environmental Protection Department responded that it was the Administration's policy to provide a public sewer with reception points up to or as near as practicable the lot boundaries of village houses to facilitate the house owners to connect their sewage to the public sewer, subject to real-life constraints such as space, gradient or land ownership. AD(WP)/EPD said that for the sake of fairness, the Administration would not provide connection inside private properties under the village sewerage programme. Village house owners had the incentives to carry out house connection works at their own costs in the light of the benefits of the connection to their properties.

[At 10:24 am, the Chairman suggested that the meeting be extended for 15 minutes up to 10:45 am. Members raised no objection.]

Handling capacity of the public sewerage system

61. Mr LEUNG Kwok-hung enquired whether the existing public sewerage system could handle the additional sewerage to be collected by the proposed works, and whether the Administration had assessed the potential impact of the issuance of the "multiple-entry permits" on the treatment capacity of the public sewerage system.

62. DDS responded that the Administration had formulated a long-term plan to expand the public sewerage network having regard to the planning parameters provided by the Planning Department, which covered, inter alia, projections on population growth. The treatment capacity of the Pillar Point sewage treatment works ("PPSTW") in Tuen Mun had been upgraded and could well handle the additional sewage to be collected after completion of the proposed works.

Other issues

63. Mr Michael TIEN said that the Administration had considered whether to provide public sewerage facilities at Kwong Shan Tsuen ("KST"), Tuen Mun, in 1993 and 2003 but had decided not to do so. He enquired about the number of residents in KST at present and why the village was not covered in the proposal. AD(WP)/EPD responded that KST was remote and had relatively few residents. Following the principle of prudent use of public monies, the Administration had no plan to extend the public sewerage network to the village for the time being. Mr TIEN suggested that the Administration should re-assess the situation in the village and update members on the results.

64. Referring to a fatal accident which had occurred at PPSTW in October 2014, Mr Michael TIEN enquired whether the Administration had learnt a lesson from the accident and would take measures to enhance the safety of workers in implementing the proposed project.

65. DDS advised that the industrial incident concerned was related to the operation of PPSTW and was still under the investigation of the Police and the Labour Department. After the incident, the Administration had instructed the contractor concerned to conduct a detailed inspection and take remedial actions. He further said that the proposed project comprised mainly construction works, which were different in nature from the operation of sewage treatment works.

66. The Chairman advised that, due to time constraints, discussion on the proposal would continue at the next meeting scheduled for 28 February 2015.

Any other business

67. There being no other business, the meeting ended at 10:45 am.

Council Business Division 1
Legislative Council Secretariat
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