

立法會
Legislative Council

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seen by the Administration)

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Finance Committee of the Legislative Council

Minutes of the 50th meeting
held at Conference Room 1 of the Legislative Council Complex
on Saturday, 19 March 2016, at 9:00 am

Members present:

Hon CHAN Kin-por, BBS, JP (Chairman)
Hon CHAN Kam-lam, SBS, JP (Deputy Chairman)
Hon LEE Cheuk-yan
Hon LEUNG Yiu-chung
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon Cyd HO Sau-lan, JP
Hon CHAN Hak-kan, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon CHEUNG Kwok-che
Hon IP Kwok-him, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip
Hon James TIEN Pei-chun, GBS, JP
Hon NG Leung-sing, SBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH

Hon YIU Si-wing, BBS
Hon Gary FAN Kwok-wai
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP
Hon KWOK Wai-keung
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon IP Kin-yuen
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Hon TANG Ka-piu, JP
Dr Hon CHIANG Lai-wan, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Tony TSE Wai-chuen, BBS
Hon Alvin YEUNG Ngok-kiu

Members absent:

Hon Albert HO Chun-yan
Hon James TO Kun-sun
Dr Hon LAU Wong-fat, GBM, GBS, JP
Hon Abraham SHEK Lai-him, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN
Hon Starry LEE Wai-king, JP
Dr Hon LAM Tai-fai, SBS, JP
Dr Hon LEUNG Ka-lau
Hon WONG Kwok-kin, SBS
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Alan LEONG Kah-kit, SC
Hon WONG Yuk-man
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Dr Hon Kenneth CHAN Ka-lok
Hon Kenneth LEUNG
Dr Hon KWOK Ka-ki
Hon Dennis KWOK
Hon SIN Chung-kai, SBS, JP
Dr Hon Helena WONG Pik-wan

Dr Hon Elizabeth QUAT, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan

Public officers attending:

Ms Elizabeth TSE Man-yeet, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Esther LEUNG, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Raistlin LAU Chun, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 3
Ms Jasmine CHOI Suet-yung	Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works)
Mr Joseph LO Kwok-kuen	Chief Assistant Secretary for Development (Works) 1, Development Bureau
Mr Tony MOYUNG Hon	Assistant Director of Lands (Acquisition), Lands Department
Ms Joyce NG Suet-yeet	Chief Estate Surveyor (Acquisition), Lands Department
Mr LEUNG Koon-kee, JP	Director of Architectural Services
Mr HUI Chiu-kin	Assistant Director of Architectural Services (Property Services), Architectural Services Department
Mr Edwin TONG Ka-hung, JP	Director of Drainage Services
Mr Samson LAI Yiu-kei	Assistant Director of Environmental Protection (Waste Management Policy)
Ms Betty CHEUNG Miu-han	Assistant Director of Environmental Protection (Environmental Infrastructure)
Mr Daniel CHUNG Kum-wah, JP	Director of Civil Engineering and Development
Mr CHUI Wing-wah	Deputy Director of Highways
Mr Raymond KONG Tai-wing	Deputy Project Manager/Major Works (1), Highways Department
Mr Ivan CHUNG Man-kit	Principal Assistant Secretary for Development (Planning and Lands) 5, Development Bureau

Miss Charmaine WONG Hoi-wan, JP	Assistant Director of Home Affairs (2)
Mr Martin KWAN Wai-cheong	Chief Engineer (Works), Home Affairs Department
Ms Maggie CHIN Man-yi	District Planning Officer (Fanling, Sheung Shui and Yuen Long East), Planning Department
Mr LAM Ka-tai, JP	Deputy Director of Social Welfare (Services)
Mr KOK Che-leung	Assistant Director of Social Welfare (Subventions)
Mr Kelvin SIU Yun-piu	Assistant Secretary-General (Capital), University Grants Committee Secretariat
Mr LEE Kam-yuen	Chief Maintenance Surveyor (School Premises Maintenance), Education Bureau
Mr Murphy CHIU Hon-fai	Senior Maintenance Surveyor (School Premises Maintenance), Education Bureau
Dr LAI Shu-ming	Head of Estates, Health and Safety Division, Vocational Training Council
Mr LEUNG Wing-lim, JP	Assistant Director of Water Supplies (New Works)
Mr Timothy CHENG Leung-kit	Chief Systems Manager (Governance and Resources), Office of the Government Chief Information Officer
Mr LO Kwok-kong	Chief Civil Engineer (Public Works Programme), Housing Department

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
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Staff in attendance:

Mr Derek LO	Chief Council Secretary (1)5
Mr Ken WOO	Senior Council Secretary (1)5
Mr Keith WONG	Council Secretary (1)5
Mr Raymond SZETO	Council Secretary (1)6
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Michelle NIEN	Legislative Assistant (1)5

The Chairman remarked that the Finance Committee ("FC") would hold four meetings today for deliberation of agenda items.

Item No. 1 – FCR(2015-16)48

BLOCK ALLOCATIONS UNDER THE CAPITAL WORKS RESERVE FUND FOR 2016-17

HEAD 701 – LAND ACQUISITION

HEAD 702 – PORT AND AIRPORT DEVELOPMENT

HEAD 703 – BUILDINGS

HEAD 704 – DRAINAGE

HEAD 705 – CIVIL ENGINEERING

HEAD 706 – HIGHWAYS

HEAD 707 – NEW TOWNS AND URBAN AREA DEVELOPMENT

HEAD 708 (PART) – CAPITAL SUBVENTIONS

HEAD 709 – WATERWORKS

HEAD 710 – COMPUTERISATION

HEAD 711 – HOUSING

2. The Chairman remarked that this item sought the Committee's approval of the recommendation of the Public Works Subcommittee on the block allocations under the Capital Works Reserve Fund ("CWRF") made at its meeting held on 17 February 2016, including –

- (a) approving a total allocation of \$12,826.7 million for 2016-2017 for the block allocations under the CWRF;
- (b) increasing the approved allocation for Subhead 5001BX under Head 705 for 2015-2016 by \$300 million from \$1,045.6 million to \$1,345.6 million; and
- (c) increasing the approved allocation for Subhead 9100WX under Head 709 for 2015-2016 by \$130 million from \$720 million to 850 million.

The Chairman declared that he was a consultant of Munich Reinsurance Company and that he had no pecuniary interest, direct or indirect, in respect to the agenda items to be discussed.

Head 701 Subhead 1100CA – Compensation and ex-gratia allowances in respect of projects in the Public Works Programme

Site formation and associated infrastructure works for purpose-built complex of residential care homes for the elderly in Area 29 of Kwu Tung North New Development Area

3. Mr CHAN Chi-chuen enquired whether arrangement would be made for relocating the existing elderly residents at the Dills Corner Garden ("DCG") to the purpose-built complex of residential care homes for the elderly ("RCHEs") in one single exercise upon completion of the complex in 2021 or 2023 at the latest, so that it would not be necessary for the elderly to move to a half-way house for temporary accommodation. He pointed out that, as stated in the supplementary document, the Administration was considering the conversion of non-RCHE buildings at DCG into RCHEs during the transitional period (i.e. before the completion of the purpose-built RCHE complex) to accommodate elderly residents affected by the Phase I demolition. He requested the Administration to clarify at what stage or in which year would the proposal of converting the existing non-RCHE buildings at DCG into RCHEs as stated in the document be taken forward. Dr Fernando CHEUNG expressed similar concern. Mr CHAN indicated that the Administration's document only illustrated that, of the total land resumption cost of \$629 million, \$516 million was for compensation of land resumption, \$1 million for compensation of land clearance, and \$7 million being the interest relating to various compensation, but it did not disclose the background information of the owners. He enquired whether the Administration had knowledge of the number of owners of the land to be acquired, whether the owners held the land in personal or company's capacity, the ownership shares and whether there were tenants. He requested clarifications from the Administration regarding the rationales for clearing the land and paying interest relating to various compensations.

4. Principal Assistant Secretary for Development (Planning and Lands) 5 ("PAS(PL)5") of the Development Bureau responded that the Administration hoped that if funding approval would be given by the Committee in the future for the main works in Kwu Tung North New Development Area (including the construction of the new RCHE complex) and the construction time could be compressed, the new RCHE would be completed in 2021, during which the non-RCHE buildings at DCG would be converted into RCHEs, if necessary, to accommodate the elderly residents affected. He mentioned that various departments were in close discussion for completion of the project in a timely manner, and a specific timetable for the project could only be finalized after

funding approval had been given for the main works in Kwu Tung North New Development Area.

5. Deputy Director of Social Welfare (Services) ("DDSW(S)") remarked that conversion of non-RCHE buildings into RCHEs was a fallback plan. The Administration hoped that the eligible elderly residents at DCG affected by the project could move into the newly built RCHE in 2021. Mr CHAN Chi-chuen opined that the Administration had not answered his question about when conversion of the existing non-RCHE buildings would be taken forward.

6. Assistant Director of Lands (Acquisition), Lands Department ("AD/L(A)") explained that the compensation of land resumption was the amount of compensation set aside by the Administration to pay owners of the land to be acquired. The two pieces of land to be acquired were held by two groups of owners. While there was no structure on the land to be acquired, there were a small number of plants, so it was necessary to set aside provision for compensation of land clearance. Upon reaching an agreement with the owners on the amount of compensation for land resumption, the Administration would have to pay the owners the full amount of the agreed compensation plus the derived interests calculated from the first day of the land acquisition. Therefore, it was necessary to set aside provision for interest on compensation.

7. Dr Fernando CHEUNG pointed out that the land to be acquired was about 110,000 sq ft; based on an amount of compensation at around \$2,200 per square foot for calculation purposes, the total compensation cost was approximately \$250 million; nevertheless, the amount of the funding application for land acquisition was more than \$600 million. He enquired that apart from the cost of site formation, how the remaining \$300 million would be used, whether the land to be acquired included Government land; and whether all the land acquired would be used for construction of RCHE. Mr LEUNG Kwok-hung and Mr Albert CHAN shared similar concern. Mr Albert CHAN asked whether it was necessary for the Administration to pay compensation to commercial tenants using the land.

8. Deputy Secretary for Financial Services and the Treasury (Treasury) 3 ("DS/FST(T)3") clarified that the cost for site formation was estimated at \$20 million, for which funding application had been made under Head 707 Subhead 7100CX. AD/L(A) explained that to facilitate the works, it was necessary for the Administration to acquire about 160,000 sq ft of land, including agricultural land and building land. In accordance with the rules regarding compensation under the Lands Resumption Ordinance (Cap. 124), the Administration had to compensate an amount equivalent to the market value of

the land. In addition, ex-gratia allowances would be payable under the existing mechanism; for the building land in Zone A, such allowance would be \$2,200 per square foot. Therefore, the Administration estimated that the sum of ex-gratia allowance together with the statutory compensation plus compensations for site clearance and other miscellaneous items would amount to some \$600 million. He advised that the 160,000 sq ft of land to be acquired would be used for construction of the RCHE complex and associated road facilities, and no Government land was involved. Since there was no structure on the land to be acquired, it was not necessary for the Administration to pay compensation to any commercial tenants.

9. Mr LEUNG Kwok-hung enquired why it was necessary for the Administration to acquire the land. Mr Albert CHAN enquired whether consideration had been given to changing the land use of the land to be acquired into residential land and allowing landowners to develop the land and entrusting them for the construction of the RCHE. Mr CHAN remarked that the Administration had once agreed to rezone a piece of land owned by Cheung Kong (Holdings) Limited to residential land; he queried that the Government had shown favouritism towards certain consortia.

10. PAS(PL)5 responded that the piece of land to be acquired was the most ideal site for the planned development; given its proximity to Shek Tsai Leng, it was also very suitable for in-situ rehousing of the elderly residents affected. He added that the relevant site in Shek Tsai Leng, which had been designated for Government, Institution or Community use, could be used for construction of RCHEs and other community facilities.

11. Mr CHEUNG Kwok-che was concerned about the issue of insufficient RCHEs; he asked whether the Government would continue building the new RCHE complex if there were changes to the North East New Territories Development Plan and if the elderly residents at DCG would no longer be affected by demolition of the existing RCHE.

12. PAS(PL)5 remarked that the Administration planned to submit funding application to the Committee for taking forward the main works in Kwu Tung North New Development Area (including the construction of the new RCHE complex) upon completion of land resumption and site formation works. DDSW(S) confirmed that the purpose-built RCHE complex was a project dovetailing with the development of North East New Territories and the aspirations of the existing elderly residents at DCG.

Liantang/Heung Yuen Wai Boundary Control Point (LT/HYW BCP) and associated works (site formation and civil works)

13. Dr Fernando CHEUNG noted the \$2.2 billion project estimates and \$1.45 billion for land resumption for building connecting road and site formation; he found the compensation fees for land resumption exorbitant, and he requested the Administration to provide a breakdown on these two items of expenditure, which amounted to \$3.6 billion, the parties to whom payments would be made, the area of land involved and the estimated total expenditure of the entire project.

14. AD/L(A) responded that as land acquisition was required for two of the works projects of the LT/HYW BCP project, it was necessary to compensate the landowners affected and provide ex-gratia allowances to the occupants; the estimated amount of compensation was \$3.6 billion. He added that as of February 2016, the Administration had already made a payment of approximately \$2.8 billion; upon reaching agreements with the owners, another payment of \$200 million would have to be made in the year to come. He undertook to provide the information Dr CHEUNG requested after the meeting.

[*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC188/15-16(01) on 15 April 2016.]

Compensation and ex-gratia allowances for the Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link

15. Mr CHEUNG Kwok-che enquired about the latest situation of the funding application for \$80 million for payment of compensation and ex-gratia allowances. AD/L(A) responded that the funding would primarily be used by the Administration for payment of land resumption compensation to landowners. He pointed out that the land resumption exercise in respect of the project had already completed, and most of the expenditures relating to land acquisition had been paid. Only a handful of owners and persons affected had not yet reached a final agreement with the Administration regarding the amount of compensation; once agreements had been reached, payment of compensations would be made accordingly. Claimants might also apply to the Lands Tribunal for a determination regarding the amount of compensation.

Site formation and infrastructure works for development at Wang Chau, Yuen Long

16. Mr LEE Cheuk-yan pointed out that the local residents of Wing Ning Village, a village located in a green belt and was affected by the land acquisition exercise of the development at Wang Chau, Yuen Long, were very concerned about the extent and impact of the land acquisition exercise. He enquired about the specific coverage of the land acquisition exercise and requested the Administration to minimize the impact on the green belt and the homes of Wing Ning Village residents; furthermore, active consideration should be given to acquisition of brownfield sites for development purposes. In response, PAS(PL)5 remarked that the coverage of the lots designated as Residential Class A sites in the Wang Chau Phase I did not include any land within the Village Environs Boundary of Wing Ning Village. Mr LEE Cheuk-yan pointed out that the reply he received from the Civil Engineering and Development Department ("CEDD") was different. Director of Civil Engineering and Development ("DCED") remarked that the Administration would explore ways to minimize the impacts on residents.

Land acquisition arrangements in North East New Territories New Development Areas

17. Mr Alvin YEUNG enquired whether any measures were in place to prevent incidents of forced demolitions similar to those that had taken place recently in North East New Territories from happening again in other land resumption exercises. Mr Albert CHAN pointed out that as many landowners affected by the North East New Territories Development Plan were farmers, he urged that consideration should be given to the use of mediation or arbitration for reaching agreements with small farmers in respect of compensation for land acquisition.

18. AD/L(A) responded that in the North East New Territories Development Plan, applicants for land exchange would be required specifically to pay compensation to all eligible occupants (including those who had moved out), and the amount of compensation should be comparable to the cash compensation offered by the Government for land resumption, otherwise their land exchange applications would not be processed. For cases of disputes over land ownership, the persons concerned might seek a ruling from the court. Any attempts at forced eviction of occupants by illegal means would be unacceptable to the Administration.

Head 707 Subhead 7100CX – New towns and urban area works, studies and investigations for items in Category D of the Public Works Programme

19. Mr WU Chi-wai requested the Administration to provide the study outlines of individual items under this subhead, the findings of the studies of all items in Part I, items no. 3, 4, 7, 8 in Part II, and the coverage of the study for Part III. He further enquired if the Administration would publish the findings within a reasonable time after completion of these studies. DS/FST(T)3 replied that if Members so requested, the Government would, under most circumstances, publish the findings of relevant studies. He undertook to provide the supplementary information the member requested.

[*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC188/15-16(01) on 15 April 2016.]

Preliminary feasibility study of a cable car system from Ngong Ping to Tai O

20. Mr LEUNG Yiu-chung pointed out that the Administration was being self-contradictory, in that while it argued the conduct of feasibility studies for certain major projects before consulting the public was necessary, it would often submit funding applications for the conduct of studies during the public consultation period. Furthermore, the Administration had remarked in 2007, when the Tai O Concept Plan was introduced, that it would not be appropriate to take forward the extension of Ngong Ping 360 cable car service to Tai O, as it would cause damages to the environment, and the Chairman of Tai O Rural Committee had also opposed the plan in public. Mr LEUNG queried why it was necessary for the Administration to submit funding application for conducting technical studies. He did not agree with the Administration on its argument that extension of cable car service could resolve the traffic problem in Lantau Island, when the crux of the problem was actually poor operations of bus and ferry services in Lantau. He asked whether the public consultation exercise on the overall development of Lantau currently being undertaken covered the proposed extension of Ngong Ping cable car to Tai O and development of spa and resort facilities. Ms Emily LAU also expressed concern about the traffic problem within Tai O. Dr Fernando CHEUNG considered that in submitting funding applications for the conduct of studies without consulting the public, the Administration had displayed a disregard to public opinion.

21. Mr LEUNG Yiu-chung also pointed out that according to the Revised Concept Plan for Lantau of 2007, the Administration positioned South Lantau development as part of a conservation strategy, stating clearly of the objective of conservation even for recreational developments. He asked whether the Administration had conducted any study on conservation and baseline assessment in the past decade of 2007 to 2016, the environmental problems identified, and the remedial measures that had been carried out.

22. DCED advised that the Administration was carrying out a preliminary feasibility study for a cable car system connecting Ngong Ping and Tai O, with the main objective of evaluating the technical feasibility of constructing the cable car system and assessing the possible impacts of the works on the environment, transport and community of Tai O. Public consultation was not a part of the study. The Administration was conducting a public consultation exercise on the overall development plan of Lantau covering the development of North Lantau and South Lantau (including Tai O) and other developments such as spa and resort development. Upon conclusion of the exercise at the end of April 2016, the Administration would incorporate the opinions of Tai O residents in the blueprint for Lantau development. If the cable car project would be taken forward, the Administration would put in place a number of supporting facilities to alleviate any problems arising from this development project. He added that the Administration was carrying out a number of minor improvement works at Tai O with a view to improving the traffic congestion problem. He also stressed that no decision had yet been made as to whether the cable car project would be taken forward. Regarding the development of South Lantau, he said that based on the Work Report of the Lantau Development Advisory Committee, conservation would be the major direction of South Lantau development.

23. Mr Albert CHAN expressed concern that extending the Ngong Ping cable car service would destroy the ecology of native flora at Tai O. He cited the *Enkianthus quinqueflorus* (Chinese New Year Flower) as an example and pointed out that the absence of protective measures on the part the MTR Corporation Limited for the Chinese New Year Flower at the construction sites at the commencement of the Ngong Ping Cable Car construction project had resulted in the death of many Chinese New Year Flower trees. He requested the Administration to provide the number of Chinese New Year Flower trees damaged at that time and an update on the latest situation; he also urged that the Administration should endeavour to deal with the problem of prospective extinction of Chinese New Year Flower in Hong Kong due to the Ngong Ping Cable Car extension project. Mr LEUNG Kwok-hung shared similar concern. He pointed out that the Administration should pro-actively carry out survey on

the number of Chinese New Year Flower trees before and after the construction works and stipulate that remedial actions must be taken by the main contractor as well as the specifications of such actions, such as replanting of the affected flora species. Mr LEUNG enquired whether the expenditures for survey on flora species in the construction areas and the need for replanting the affected plants had been included in estimates of the cable car extension project.

24. DCED responded that before any decision was made for a project to be taken forward, an environmental impact assessment would be carried out to identify the impacts of the project on the ecology (including flora species) of the construction site as well as other impacts. Once a decision was made for a project to be taken forward, the Administration would gather statistics on the number of trees affected, and would replant the trees when necessary. During the construction of the cable car system, the construction sites around the supporting towers would be subject to the greatest impact, whilst the intermediate transition zones between supporting towers would be subject to relatively lesser impact because the sections within such zones would mostly be built over ground. The Administration would consider the views of Mr Albert Chan and provide the requested information. Mr Albert CHAN and Mr LEUNG Kwok-hung said they did not accept the Administration's explanation.

[*Post-meeting note:* The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC188/15-16(01) on 15 April 2016.]

District minor improvement works and feasibility studies

25. Mr Tony TSE supported the Administration for the conduct of feasibility study for works projects. He noted the great number of district minor works and the relatively lower cost for individual works, and he asked whether guidelines on cost control would be drawn up for such works projects to be carried out efficiently and effectively. Furthermore, he was also concerned about the practice of having joint tender for minor works of similar nature. He pointed out that given the increased overall construction costs for joint tender, small and medium-sized contractors might not be able to satisfy the tender requirements. He requested that unless there were certain special reasons, tenders for individual minor works should be invited separately with a view to giving small and medium-sized contractors and consultants an opportunity to take part in the tenders.

26. DS/FST(T)3 responded that the multi-disciplinary office to be established would focus on the scrutiny of the procedures and cost estimates of 300 major projects with a view to reducing project costs. The tender policy of the Government had always emphasized openness, fairness, transparency and competitiveness, and every tender would be open to all participants. Chief Assistant Secretary for Development (Works) 1, Development Bureau added that the Administration would review the existing guidelines covering major and minor projects. The 9 000 odd minor works currently being undertaken involved more than 1 000 contracts, a majority of them had the participation of small and medium-sized contractors.

Head 707 Subhead 7017CX – Signature Project Scheme

Preparatory and pre-construction works for redevelopment of the Sai Lau Kok Garden (Tsuen Wan District)

27. Mr LEE Cheuk-yan pointed out that FC's approval had not been given to this works project, and he asked for the reason for submission of funding application for pre-construction works. Ms Emily LAU opined that FC's approval should be obtained for the main works project to be taken forward before funding application for the relevant pre-construction works should be submitted. She asked whether it was feasible to allocate resources from individual departments' recurrent funding for the purpose of meeting the funding needs of pre-construction works.

28. Assistant Director of Home Affairs (2) referred to the endorsement given by the Public Works Subcommittee in 2013 for creation of a new block allocation subhead, namely Head 707 Subhead 7017CX for the "Signature Project Scheme ("SPS")" for the purpose of carrying out pre-construction works. The funding applied was to assist individual District Councils ("DCs") to go about the preparatory and pre-construction works for the SPS of the district, so that the DCs could further submit funding applications for the approval of the Legislative Council ("LegCo") for the projects to be undertaken.

29. DS/FST(T)3 explained that block allocations aimed to provide the necessary amount of funds for small-scale projects and for carrying out technical feasibility studies, preparation of tender documents and detailed design for major works projects. These pre-construction works were important as they allowed the Government to provide relevant information to FC to facilitate their deliberations when funding applications for major works projects were submitted to FC. Given that pre-construction works were ancillary to major works projects, it would be more appropriate that funding was drawn

from CWRP. In fact, expenditure on pre-construction works had been drawn from block allocations under CWRP.

Head 703 Subhead 3101GX – Minor building works for items in Category D of the Public Works Programme

Improvement works at Tuen Mun Children and Juvenile Home at San Shek Wan North Road, Tuen Mun

30. Mr CHEUNG Kwok-che was concerned about why improvement works was necessary, given the short period of time since the commissioning of the residential care home in question.

31. Director of Architectural Services explained that the funding applied would be used to improve the facilities so that, during the visiting period, residents of different homes and their visitors could be effectively separated and residential care home could be operated more smoothly.

32. DDSW(S) added that due to admittance of juvenile residents of different backgrounds, different arrangements were in place for visitors to visit residents who were admitted for different reasons. The Administration considered it necessary to carry out the proposed works to facilitate visits to residents by their family members.

Head 705 Subhead 5101CX – Civil engineering works, studies and investigations for items in Category D of the Public Works Programme

Civil works in the new Central Harbourfront to facilitate the setup of a temporary racetrack for an international electric car-racing event

33. Mr CHEUNG Kwok-che noted that the estimated expenditure for the item was \$21 million. He enquired about the extent of the Administration's involvement in the project, as well as the cost-effectiveness and returns of the project. He expressed concern on wastage of public money when the temporary racetrack was demolished once the race was over, and he requested the Administration to provide information on the projected revenue and expenditure of the project and the economic benefits brought about by chain effect.

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34. DCED confirmed that CEDD and relevant departments would be responsible for carrying out works to improve existing roads to enable them to meet the requirements of a temporary racetrack. DS/FST(T)3 responded that the objective of the Administration in taking forward this project was to promote Hong Kong's tourism industry through the event with a view to boosting the number of tourists. He undertook to provide the information requested by the member after the meeting.

[Post-meeting note: The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC188/15-16(01) on 15 April 2016.]

35. At 10:25 am, the Chairman reminded members who intended to move a motion on the item under paragraph 37A of the FC Procedure ("FCP") that they should do so as soon as possible.

Motion to adjourn discussion on the item FCR(2015-16)48

36. At 10:37 am, Mr Albert CHAN moved without notice a motion under paragraph 39 of FCP that discussion on the item FCR(2015-16)48 be adjourned.

37. The Chairman proposed the question on the motion to adjourn discussion on the item FCR(2015-16)48 to the Committee. He directed that, each member, when speaking on the question, could speak once for not more than three minutes.

38. Mr Albert CHAN introduced his motion. He criticized the Chairman and Deputy Chairman of FC for abusing their power when presiding over earlier deliberations on the supplementary funding application for the Hong Kong-Zhuhai-Macao Bridge and the Express Rail projects and upset the equilibrium of the Committee; furthermore, the Chairman had not declared his interest properly; as such, he considered that the Committee should deal with the two motions of no confidence in the Chairman and Deputy Chairman moved by members first before handling other agenda items.

39. Members spoke on the motion moved by Mr Albert CHAN. Mr CHAN Chi-chuen and Mr Gary FAN expressed their support of the motion; Miss CHAN Yuen-han opposed the motion.

40. Mr LEE Cheuk-yan, Mr LEUNG Yiu-chung and Dr Fernando CHEUNG made it clear that they would not support Mr Albert CHAN's motion only if the Administration would agree to separate the controversial items and other non-controversial items of FCR(2015-16)48.

41. At 11:00 am, the Chairman declared that the meeting be adjourned.

42. The meeting was adjourned at 11:00 am.

Legislative Council Secretariat

21 June 2016