

**For discussion  
on 26 April 2016**

**Legislative Council Panel on Development**

**Staffing Proposal on the Establishment of the Lantau Development Office  
and the Re-organisation of Existing Development Offices of  
Civil Engineering and Development Department**

**PURPOSE**

This paper provides supplementary information on the staffing proposal to create four supernumerary directorate posts for a new Lantau Development Office (LDO) under the Civil Engineering and Development Department (CEDD) for about five years up to 31 March 2021 and seeks Members' support to the staffing proposal again.

**BACKGROUND**

2. We briefed Members on the staffing proposal at the Panel meeting on 23 February 2016 (Paper No. CB(1)559/15-16(07)). Some Members supported the proposal and urged for early implementation of the development proposals in Lantau. Some Members were opposed to the proposal and had the following key concerns –

- (a) some of the development proposals in Lantau, which LDO are to undertake, are either inappropriate or yet to go through a due public consultation process;
- (b) the existing establishment of the Hong Kong Island and Islands Development Office (HKI&I DevO) in CEDD may be expanded to undertake Lantau-related tasks without the need of establishing LDO;
- (c) there were conflicts of interest of some of the members in the Lantau Development Advisory Committee (LanDAC) in drawing up the development proposals; and
- (d) the construction labour force would be insufficient for undertaking the Lantau-related projects.

3. We would like to provide supplementary information on the issues of Members' concerns and would also like to update Members on the latest situation of the on-going public engagement (PE) exercise for Lantau development in the ensuing paragraphs.

## **SUPPLEMENTARY INFORMATION ON MEMBERS' CONCERNS**

### **Lack of Public Consultation**

4. Some Members raised that certain development proposals in Lantau had not gone through public consultation prior to formulation. The establishment of LDO would create a perception that all the Lantau development projects and proposals listed in paragraph 10 of Annex I of Paper No. CB(1)559/15-16(07) were firm for implementation.

5. Lantau development is of strategic importance to Hong Kong's long-term development. We are conducting a PE exercise on its broad strategy which comprises the development vision, spatial planning and major proposals. Whilst LDO is instrumental for carrying out the tasks listed in paragraph 10 of Annex I of Paper No. CB(1)559/15-16(07), it is plain that those projects and proposals are not yet firm. The items set out in the previous Paper No. CB(1)559/15-16(07) were mainly to explain about the workload of LDO in the coming years. The actual implementation of all the items will be subject to the outcome of public consultation, feasibility studies, impact assessments, designs, and legal and funding procedures as for every other similar public works project.

6. Upon completion of the PE exercise, we will take into account the public views collected and draw up a blueprint for developing Lantau towards the end of this year providing more details and a reference timetable for taking forward the proposals that are supported by the public. Thereafter, public consultation/engagement on individual projects, when taken forward, will be conducted further in the normal manner and LDO will play a crucial role during the future process.

### **Expanding the Existing HKI&I DevO to Undertake Lantau-related Tasks**

7. Some Members raised that additional manpower resources could be created under the existing HKI&I DevO to undertake Lantau-related tasks without resorting to creating a dedicated LDO.

8. Given the strategic importance of Lantau development, there is a very substantial workload associated with the tasks to be undertaken and it is essential to establish a dedicated office so that there is adequate steer by a Project Manager with support from his Deputy Project Managers. The need for a dedicated multi-disciplinary office was explained in paragraphs 8 to 11 of Annex I to Paper no. CB(1)559/15-16(07). In essence, the workload associated with the existing major projects on Hong Kong Island will last until at least 2024. On the other hand, the planning and engineering input to Lantau-related projects and proposals is strategic and substantial. It would be hard for the Project Manager of the HKI&I DevO to oversee the work of Lantau development only on a part-time basis in addition to his existing work portfolio. Moreover, LDO is proposed to be created to provide a dedicated one-stop service such that planning, engineering and other necessary professional input required for all studies and work for Lantau development are centralised under one roof.

9. In the meeting on 23 February 2016, some Members appreciated the amount of additional forthcoming work for Lantau development and supported the creation of posts but were opposed to the setting up of a dedicated LDO. We would like to further explain that in CEDD, each of the existing offices headed by a Project Manager is referred to as a Development Office with respect to its geographical location. This will facilitate communication and make clear the project steer and the delineation of responsibilities. Given the emerging work in Lantau development, it would be highly inconvenient and ineffective for all the work concerned to be continued in the existing HKI&I DevO of CEDD. In view of the above, the suggestion of only adding manpower resources to HKI&I DevO is highly undesirable.

### **Composition and Conflicts of Interest of LanDAC Members**

10. Some Members expressed concern about the appointment and the conflicts of interest of some LanDAC Members in drawing up the development proposals.

11. The Government established LanDAC to advise on opportunities brought by the planning and major infrastructure in Lantau and on various aspects of sustainable development and conservation, with a view to fully capitalising on the locational advantages of Lantau and seizing its development opportunities to foster the long-term socio-economic development of Hong Kong. Non-official members of LanDAC cover members of the Legislative Council, District Councils and Heung Yee Kuk and a wide spectrum of different sectors of the community.

12. LanDAC has established a comprehensive requirement of declaration of interests by its members who must observe the house rules and all the requirements of registration and declaration of their personal interests. All discussion papers and notes of meeting of LanDAC are uploaded to the website of the Development Bureau.

### **Lack of Labour Resources**

13. Some Members queried whether the construction industry in Hong Kong could provide adequate skilled labour resources to undertake Lantau-related projects given the shortage of skilled construction workers in recent years.

14. The Government pays close attention to the manpower supply situation of the construction industry. To cope with the ageing workforce and shortage of skilled workers, the Construction Industry Council has introduced a host of measures including stepping up of training, enhancing the professional and youthful image of the industry to attract new entrants, and enhancing the construction productivity in order to reduce the demand for skilled workers. It will keep reviewing the forthcoming workload in the construction market in the coming years and the effectiveness of the manpower supply measures. It should however be noted that the major projects associated with Lantau development are mostly in the medium to long-term. The appropriateness and feasibility of some

of the major projects, such as the infrastructure associated with the proposed East Lantau Metropolis, are yet to be studied. It is too early to draw any conclusion at this early planning stage on how these projects may impact on the construction manpower supply. Moreover, even if these projects are established and confirmed, the timetable for their implementation is yet to be drawn up.

## UPDATE ON PUBLIC ENGAGEMENT

15. We briefed Members on the proposed development strategy for Lantau on 23 February 2016 (Paper No. CB(1)559/15-16(08)). The three-month PE for Lantau development, commencing on 31 January 2016, is due to complete on 30 April 2016. Up to 11 April 2016, we have held three public forums attended by some 860 members of the public and a total of 82-day roving exhibition at various locations all over Hong Kong. 21 consultative sessions have also been held with different sectors of the society including Legislative Council, District Councils, Rural Committees, local community organisations, professional institutes, environmental concern groups, and relevant stakeholders in the business, logistics, tourism, leisure and recreation sectors.

16. At present, the PE is yet to be completed and we will compile and analyse the views and suggestions collected. So far from the views we have gathered, a lot of the public comments were in support of the broad direction of Lantau development and the principle of balancing between the needs for conservation and development. The proposed concepts of focusing major economic and housing developments and large-scale recreation and tourism initiatives in north and northeast Lantau, while protecting rural Lantau for nature conservation and sustainable recreational uses and tourism are also well received. We have also heard views expressing the needs for further and clear commitment from the Government towards conservation and enhancing the existing transport and other services for the existing local community. Some of the views expressed, which are non-exhaustive, are listed below:

### Economic and housing development

- There is strong advocacy of the proposal of economic and housing development along the northern shore of Lantau taking the advantage of the existing transport infrastructure and the Hong Kong-Zhuhai-Macao-Bridge and the Tuen Mun-Chap Lap Kok Link under construction;
- To complement economic and housing development, many Lantau residents aspire for prompt enhancement of the existing local transportation, and sufficient transport infrastructures be timely implemented in phase with the proposed development;
- There are many views supporting more diversified economic development for Hong Kong as a whole and more job opportunities, instead of relying heavily on the four pillar industries, taking the opportunity of Lantau development;
- The airport also provides opportunities for economic

development, such as logistics;

#### East Lantau Metropolis (ELM)

- The location of proposed artificial islands in the Central Waters, being close to Hong Kong Island, is seen by many as strategically important and the study for provision for transport infrastructure should be accorded with priority;
- Information for establishing the project feasibility, including the impact on the environment, navigation, financial, and other aspects, is not yet available;
- The development of ELM should adopt the concept of a sustainable and smart city;

#### Conservation

- There is strong support of balancing development and conservation. The concept of preserving the predominant part of Lantau is appreciated;
- Detailed proposals of conservation are lacking and should be formulated;
- The Government should ascertain the feasibility of reclamation with extreme care taking into consideration the existing ecology, such as Chinese White Dolphins;
- Hiking trails and marine parks are welcomed, but fishery groups are concerned about impacts on fishery rights;

#### Recreation and Tourism

- The recreational facilities will provide beneficial opportunities for Hong Kong people whose living conditions are too crowded and have insufficient recreational facilities for use during their holidays;
- There should be an assessment of the overall capability of Lantau for receiving additional visitors without adverse impact on the existing uniqueness and environment;
- The preliminary proposals are all over Lantau and should be studied in more detail, coordinated, and the feasibility of necessary transport provision should also be examined;
- Early implementation of the Tung Chung Town Park, mountain bike trails in south Lantau and cycle tracks are welcomed.

17. Furthermore, we will take note of the public hearing conducted by the Panel on Development on 16 April 2016 on the proposed development strategy for Lantau which shed even more light on the public's responses to the proposed strategic direction, visions and proposals. Overall speaking, we see the urgent need to establish LDO as soon as possible so as to continue our consideration of the public responses and the various work and studies to address the public aspirations and take the work plan to the next stage more properly. For example, to respond to public concerns on conservation, we will make particular effort, after the establishment of LDO, to liaising with relevant stakeholders including green groups and local communities so as to develop conservative initiatives and programmes that would promote nature conservation in Lantau. On transportation, we will explore how efforts could be better coordinated for addressing the transport needs of residents in Lantau and how to support feasible recreational and tourism facilities in Lantau without undermining the preservation of the existing environment and the visitor receiving capacity of Lantau. Kick-starting the above work would not be feasible without the early establishment of the dedicated LDO.

#### **WAY FORWARD**

18. Subject to Members' support, we plan to seek endorsement from the Establishment Subcommittee and approval from the Finance Committee in mid 2016.

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**Development Bureau  
Civil Engineering and Development Department  
April 2016**