

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 26th meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 18 May 2018, at 3:00 pm

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon Michael TIEN Puk-sun, BBS, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen

Hon LEUNG Che-cheung, SBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Dr Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-kiwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan
Dr Hon Pierre CHAN
Hon CHAN Chun-ying
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Gary FAN Kwok-wai
Hon AU Nok-hin
Hon Vincent CHENG Wing-shun, MH
Hon Tony TSE Wai-chuen, BBS

Members absent:

Hon CHAN Han-pan, JP
Hon Tanya CHAN

Public officers attending:

Ms Alice LAU Yim, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Carol YUEN, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Mike CHENG Wai-man	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Ms Bernadette LINN Hon-ho, JP	Permanent Secretary for Development (Planning and Lands)
Mr Francis LEUNG Lap-ki	Principal Assistant Secretary for Development (Works) 4
Mr Louis KAU Kin-hong	District Planning Officer (Hong Kong), Planning Department
Ms Cynthia LO Siu-han	Departmental Secretary, Electrical and Mechanical Services Department
Ms Winnie HO Wing-yin, JP	Deputy Director of Architectural Services
Mr FUNG Chi-fung	Senior Project Manager 123, Architectural Services Department
Mr LIU Chun-san, JP	Under Secretary for Development
Mr Ivan CHUNG Man-kit	Principal Assistant Secretary for Development (Planning and Lands) 5
Mr Ricky CHONG Kwok-man	Principal Assistant Secretary for Innovation and Technology (1)
Mr Ambrose CHEONG Siu-yau	Project Manager (West), Civil Engineering and Development Department
Ms Fiona LIU Tze-kwan	Chief Engineer/W5, West Development Office, Civil Engineering and Development Department
Ms Maggie CHIN Man-yi	District Planning Officer (Fanling, Sheung Shui and Yuen Long East), Planning Department

Ms Annie CHOI Suk-han, JP	Commissioner for Innovation and Technology
Mr Ivan LEE Kwok-bun, JP	Deputy Commissioner for Innovation and Technology
Dr CHOI Yuk-lin, JP	Under Secretary for Education
Ms Jenny CHAN Yuen-han	Principal Assistant Secretary for Education (Education Infrastructure)
Ms Teresa CHAN Mo-ngan	Principal Assistant Secretary for Education (Education Commission and Planning)
Dr SO Kwok-sang	Secretary General of Hong Kong Examinations and Assessment Authority

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
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Staff in attendance:

Ms Ada LAU	Senior Council Secretary (1)7
Mr Raymond SZETO	Council Secretary (1)5
Miss Queenie LAM	Senior Legislative Assistant (1)2
Mr Frankie WOO	Senior Legislative Assistant (1)3
Miss Yannes HO	Legislative Assistant (1)6

Action

The Chairman reminded members of the requirements under Rule 83A and Rule 84 of the Rules of Procedure.

**Item 1 — FCR(2018-19)11
RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 28 MARCH 2018**

PWSC(2017-18)30	
HEAD 703	— BUILDINGS
Civil Engineering	— Land Development
794CL	— The demolition of existing superstructures at Caroline Hill Road site, Causeway Bay

2. The Chairman advised that this item sought the approval of the Finance Committee ("FC") for the recommendation of the Public Works Subcommittee ("PWSC") made at its meeting on 28 March 2018, i.e. the recommendation in PWSC(2017-18)30 regarding the upgrading of 794CL to Category A at an estimated cost of \$52.6 million in money-of-the-day prices for the demolition of existing superstructures at Caroline Hill Road site, Causeway Bay ("CHR site"). Some members had requested separate voting on the recommendation at the FC meeting. Members noted that PWSC and FC had spent over three hours and about 23 minutes respectively on discussing this item. The Administration had also submitted a number of information papers.

3. The Chairman declared that he was an independent non-executive director of The Bank of East Asia.

Demolition works and rezoning procedures

4. Mr KWOK Wai-keung considered it acceptable for rezoning of the CHR site and demolition of existing superstructures at the site to proceed in parallel, and urged for early approval of the funding proposal to make available land for future development. Mr Michael TIEN also expressed support as he noted that the existing superstructures would need to be demolished to clear the site for future use, even if the rezoning proposal was rejected by the Town Planning Board ("TPB").

5. Mr HUI Chi-fung queried that commencing demolition works before obtaining approval for the proposed rezoning might have deviated from established procedures. He was concerned that when considering the rezoning proposal, TPB might wish to retain some of the affected buildings.

6. In response, Permanent Secretary for Development (Planning & Lands) ("PS(P&L")) advised that:

- (a) whether demolition works should precede or follow completion of town planning procedures would depend on the actual needs and circumstances of individual projects;
- (b) early commencement of the proposed demolition works at the CHR site would enable timely release and optimization of the development potential of the site; and
- (c) the TPB's mandate was to consider suitable land uses and

development parameters of individual site and the wider area, rather than the preservation or utilization of the buildings thereat.

Future use and development of the project site

7. Dr KWOK Ka-ki opined that apart from the Judicial Complex, consideration should be given to constructing a multi-purpose building to accommodate various services for disabled persons and the elderly. He enquired whether the Administration's current proposal had taken into account the service needs of other bureaux such as the Labour and Welfare Bureau and the Food and Health Bureau. PS(P&L) responded that the proposed rezoning of the CHR site for commercial development and the construction of a Judicial Complex was considered an optimal use of the land resources. The TPB would consider the rezoning proposal and make a final decision on the appropriate land uses after considering the public views/representations received during the statutory consultation period in accordance with the Town Planning Ordinance (Cap. 131).

8. Mrs Regina IP sought information on the scale of the proposed commercial development, as well as the future arrangement for the Post Office Recreation Club and the PCCW Recreation Club. In reply, PS(P&L) advised that:

- (a) the gross floor area for the proposed commercial development, inclusive of some public facilities, would be about 100 000 square metres;
- (b) subject to approval of the rezoning proposal, the future developer could decide on the detailed design of the commercial portion of the CHR site in accordance with the broad development parameters as approved by the TPB; and
- (c) the Post Office Recreation Club originally accommodated at the CHR site had already been relocated, while the PCCW Recreation Club would be vacated soon upon expiry of the short-term tenancy.

9. Mrs Regina IP said that members belonging to the New People's Party would object to the current proposal as the proposed commercial development would aggravate congestion in the busy business district of Causeway Bay.

10. Mr CHAN Chi-chuen remarked that the paper dated 8 May 2018 submitted by the Administration to Wan Chai District Council ("WCDC") was far more informative than the FC paper. PS(P&L) responded that the two papers served different purposes and were aimed to address different questions. While the FC paper focused on matters relating to the funding application for the proposed demolition works, the paper submitted to WCDC was to provide information on the future development of the CHR site being the subject matter of consultation with the local community.

11. Mr CHU Hoi-dick did not subscribe to the Administration's view that the proposed demolition works should be considered independently from the future development of the CHR site.

12. Mr AU Nok-hin enquired about the future management arrangement for some 6 000 square metres of land in the rezoned CHR site reserved for use as recreation and open space. PS(P&L) said that under the prevailing policy, the future developer would either be required to provide and manage the public open space in the private development, or to provide and hand over the public facility to the Government for consequential management. The Administration would confirm the relevant arrangement for the public open space pending the completion of the statutory rezoning process and before the disposal of the CHR site.

Use of vacant government premises and refurbishment

13. Noting that the existing buildings at the CHR site had been vacated and left idle for some 10 years, Mr WU Chi-wai asked whether a more effective policy would be to allow existing tenants/users to operate in the premises until the time of demolition. He was concerned that there was a lack of coordinated policy effort to effectively utilize vacant school premises or government quarters. In response, PS(P&L) said that while every effort was made to put vacant government premises to gainful uses, the long-term development plan of individual premises/sites would be subject to different factors and considerations.

14. Mr CHAN Chi-chuen enquired about the arrangement of allocating vacant government premises for use by different users, and whether reuse of the existing superstructures at the CHR site was a viable option. In reply, PS(P&L) advised that:

- (a) while the Government would endeavour to put vacant premises into optimal and temporary uses pending long-term development of the sites, demolition of the superstructures might still be required taking account of the ageing and

deterioration of building conditions and the safety hazards thereof;

- (b) the existing buildings at the CHR site were in a dilapidated state, and major refurbishment works would be required for their continuous use to bring the provisions up to prevailing standards; and
- (c) apart from the substantial capital investment, maintaining the CHR buildings would under-utilize the scarce land resources which could be more optimised, and hence not cost-effective.

15. On cost-effectiveness, Ms Claudia MO found it unacceptable that the three government towers in Wan Chai North, which were still in good conditions, would be demolished upon relocation of the District Court to the CHR site. Without adequate information on the future use of the CHR site, Ms MO said that she could not support the current proposal.

Traffic impact and related assessment

16. Mr CHAN Chun-ying enquired whether the Administration would take the opportunity to stipulate building set-back requirements with a view to widening the road surface, thereby easing traffic flow at the junction of Leighton Road and Link Road. He considered that improved traffic conditions would boost the value of the future commercial development at the CHR site. PS(P&L) advised that the rezoning proposal would include necessary road improvement works, as recommended in the traffic impact assessment ("TIA"), to mitigate any adverse traffic impact arising from the development. If considered appropriate, TPB might also specify the requirement for buildings set-back in the Outline Zoning Plan ("OZP").

17. Referring to the TIA report for the demolition works provided by the Administration, Mr CHU Hoi-dick raised serious concern about congestion at several major road junctions designated as J3, J4 and J8 and the mitigation measures, if any. He estimated that the number of vehicles at the junction of Causeway Road and Moreton Terrace would increase to 500 to 600 per hour during peak hours when the commercial development was completed. Mr CHU was of the view that TIA for the rezoning of the CHR site should take into account the full development potentials, instead of only the existing conditions, of the areas north of Leighton Road.

18. In response, PS(P&L) and District Planning Officer (Hong Kong), Planning Department ("DPO(HK)) explained that:

- (a) based on available information, there were residual capacity for vehicular traffic at J3 and J4, while relevant assessment on J8 was still underway;
- (b) according to the standard prescribed by the Transport Department, where the residual capacity of a road junction fell below 10%, mitigation measures would be required;
- (c) TIAs must be conducted in accordance with the requirement stipulated by the Transport Department and on the basis of existing or known development/use of the areas concerned; and
- (d) TIA for the proposed developments at CHR site was under preparation and would be submitted to TPB as part of the rezoning proposal. The detailed traffic impact assessments for individual road junctions would be released upon completion of the relevant TIA.

19. Mr SHIU Ka-fai said that although vehicular traffic was not particularly heavy in the vicinity of the CHR site currently, road conditions were not satisfactory due to the large number of learner drivers and illegal parking of vehicles near schools. While he had no objection to the proposed demolition works, he urged the Administration to strengthen liaison with WCDC and to conduct a thorough study on the future traffic impact.

20. In view of members' concerns, Mr AU Nok-hin urged the Administration not to proceed with the proposed commercial development at the CHR site, as this might also conflict with the Planning Department's recommendation in 2008 to improve the visual relief of the area by imposing a height restriction on buildings. In this connection, DPO(HK) said that:

- (a) according to the findings of the air ventilation assessment conducted for the rezoning proposal, the provision of a road separating the commercial development and the Judicial Complex and a gap distance of about 20 to 25 metres in between buildings within each development would serve to minimize the air ventilation impact of the new

developments; and

- (b) while relaxing the building height restrictions under the OZP might cause some local visual impact, the proposed building height for the developments at the CHR site would still be in line with the maximum building height restriction of 135 mPD as stipulated on the Causeway Bay OZP.

Motions proposed by members under paragraph 37A of the Finance Committee Procedure

21. At 4:12 pm, FC started to vote on whether six motions proposed by members under paragraph 37A of the Finance Committee Procedure ("FCP") for expressing views on this item ("FCP 37A motions") should be proceeded with forthwith. At the request of members, the Chairman ordered a division. After the Chairman had declared that the question on the first FCP 37A motion be proceeded with forthwith was negatived, Mr CHEUNG Kwok-kwan moved a motion under FCP 47 that in the event of further divisions being claimed in respect of any motions under the same agenda item, FC should proceed to each of such divisions immediately after the division bell had been rung for one minute.

22. The Chairman put the motion to vote. At the request of members, the Chairman ordered a division. The motion was carried. The votes of individual members were set out in the **Annex**.

23. FC continued to vote on whether the remaining FCP 37A motions should be proceeded with forthwith. The voting results in respect of all the FCP37A motions proposed by members were as follows:

Members proposing the motion	Serial no. of the motions	Whether to proceed with the motions forthwith
Mr CHU Hoi-dick	001	No
Mr CHAN Chi-chuen	002	No
Mr AU Nok-hin	003	No
Mr Gary FAN	004	No
Ms Claudia MO	005	No
Mr LEUNG Yiu-chung	006	No

Voting on FCR(2018-19)11

24. There being no further questions from members, the Chairman put item FCR(2018-19)11 to vote. At the request of members, the Chairman

ordered a division, and the division bell was rung for one minute. The Chairman declared that 39 members voted in favour of and 10 members voted against the item. 1 member abstained from voting. The votes of individual members were as follows:

For:

Mr James TO Kun-sun	Mr Abraham SHEK Lai-him
Mr Jeffrey LAM Kin-fung	Mr WONG Ting-kwong
Ms Starry LEE Wai-king	Mr CHAN Hak-kan
Dr Priscilla LEUNG Mei-fun	Mr WONG Kwok-kin
Mr Michael TIEN Puk-sun	Mr Steven HO Chun-yin
Mr WU Chi-wai	Mr YIU Si-wing
Mr Charles Peter MOK	Mr LEUNG Che-cheung
Mr Kenneth LEUNG	Ms Alice MAK Mei-kuen
Mr KWOK Wai-keung	Mr Dennis KWOK Wing-hang
Mr Christopher CHEUNG Wah-fung	Dr Helena WONG Pik-wan
Mr IP Kin-yuen	Dr Elizabeth QUAT
Mr POON Siu-ping	Ir Dr LO Wai-kwok
Mr CHUNG Kwok-pan	Mr Alvin YEUNG
Mr Andrew WAN Siu-kin	Mr Jimmy NG Wing-ka
Mr HO Kai-ming	Mr LAM Cheuk-ting
Mr Holden CHOW Ho-ding	Mr SHIU Ka-fai
Mr Wilson OR Chong-shing	Mr CHAN Chun-ying
Mr CHEUNG Kwok-kwan	Mr LUK Chung-hung
Mr LAU Kwok-fan	Mr Vincent CHENG Wing-shun
Mr Tony TSE Wai-chuen	

(39 members)

Against:

Mr LEUNG Yiu-chung	Mrs Regina IP LAU Suk-ye
Ms Claudia MO	Mr CHAN Chi-chuen
Dr Fernando CHEUNG Chiu-hung	Mr CHU Hoi-dick
Ms YUNG Hoi-yan	Dr CHENG Chung-tai
Mr Gary FAN Kwok-wai	Mr AU Nok-hin

(10 members)

Abstained:

Dr Pierre CHAN
(1 member)

25. The Chairman declared that the item was approved.

Item 2 — FCR(2018-19)14

**RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 25 APRIL 2018**

PWSC(2018-19)4

HEAD 703 — BUILDINGS

Health — Hospitals

70MM — Redevelopment of Queen Mary Hospital, phase 1

87MM — New acute hospital at Kai Tak Development Area

**HEAD 708 — CAPITAL SUBVENTIONS AND MAJOR
SYSTEMS AND EQUIPMENT**

Medical Subventions

13MD — Redevelopment of Kwong Wah Hospital

88MM — Redevelopment of Our Lady of Maryknoll Hospital

3MP — Redevelopment of Grantham Hospital, phase 1

26. The Chairman advised that this item sought the approval of FC for the recommendation of PWSC made at its meeting on 25 April 2018, i.e. the recommendation in PWSC(2018-19)4 regarding the construction or redevelopment of five hospitals, namely the new acute hospital at Kai Tak Development Area, Queen Mary Hospital, Kwong Wah Hospital, Our Lady of Maryknoll Hospital and Grantham Hospital. No members requested separate voting for this item. Dr Pierre CHAN declared that he was a medical officer of the Hospital Authority.

Voting on FCR(2018-19)14

27. The Chairman put item FCR(2018-19)14 to vote. At the request of members, the Chairman ordered a division, and the division bell was rung for five minutes. The Chairman declared that 50 members voted in favour of and no member voted against the item. The votes of individual members were as follows:

For:

Mr James TO Kun-sun

Mr Abraham SHEK Lai-him

Mr WONG Ting-kwong

Dr Priscilla LEUNG Mei-fun

Mrs Regina IP LAU Suk-yee

Ms Claudia MO

Mr Steven HO Chun-yin

Mr LEUNG Yiu-chung

Mr Jeffrey LAM Kin-fung

Mr CHAN Hak-kan

Mr WONG Kwok-kin

Mr Paul TSE Wai-chun

Mr Michael TIEN Puk-sun

Mr Frankie YICK Chi-ming

Mr WU Chi-wai	Mr YIU Si-wing
Mr Charles Peter MOK	Mr CHAN Chi-chuen
Mr LEUNG Che-cheung	Mr Kenneth LEUNG
Ms Alice MAK Mei-kuen	Mr KWOK Wai-keung
Mr Dennis KWOK Wing-hang	Mr Christopher CHEUNG Wah-fung
Dr Fernando CHEUNG Chiu-hung	Dr Helena WONG Pik-wan
Dr Elizabeth QUAT	Mr POON Siu-ping
Ir Dr LO Wai-kwok	Mr CHUNG Kwok-pan
Mr Alvin YEUNG	Mr Andrew WAN Siu-kin
Mr CHU Hoi-dick	Mr Jimmy NG Wing-ka
Mr LAM Cheuk-ting	Mr Holden CHOW Ho-ding
Mr SHIU Ka-fai	Ms YUNG Hoi-yan
Dr Pierre CHAN	Mr CHAN Chun-ying
Mr HUI Chi-fung	Mr LUK Chung-hung
Mr LAU Kwok-fan	Dr CHENG Chung-tai
Mr KWONG Chun-yu	Mr Jeremy TAM Man-ho
Mr Gary FAN Kwok-wai	Mr AU Nok-hin
Mr Vincent CHENG Wing-shun	Mr Tony TSE Wai-chuen

(50 members)

28. The Chairman declared that the item was approved.

Item 3 — FCR(2018-19)12

**RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 11 APRIL 2018**

PWSC(2017-18)34

**HEAD 707 — NEW TOWNS AND URBAN AREA
DEVELOPMENT**

Civil Engineering — Land Development

**748CL — Development of Lok Ma Chau Loop – land
decontamination and advance engineering works**

**760CL — Development of Lok Ma Chau Loop – Main Works
Package 1**

29. The Chairman said that this item sought the approval of FC for the recommendation of PWSC made at its meeting on 11 April 2018, i.e. the recommendation in PWSC(2017-18)34 regarding:

- (a) the upgrading of 748CL to Category A at an estimated cost of \$517.6 million in money-of-the-day prices;
- (b) the upgrading of part of 760CL, entitled "Development of

Lok Ma Chau Loop – Main Works Package 1 – detailed design and site investigation" to Category A at an estimated cost of \$268.3 million in money-of-the day prices; and

- (c) the retention of the remainder of 760CL in Category B.

30. Some members had requested separate voting on the recommendation at the FC meeting. Members noted that PWSC had spent about one hour and 50 minutes on discussion of this item and that the Administration had submitted a number of information papers.

31. The Chairman declared that he was an independent non-executive director of The Bank of East Asia.

Development of innovation and technology in Hong Kong

32. Mr Michael TIEN noted that according to the Administration's projection, the future Hong Kong-Shenzhen Innovation and Technology Park ("the Park") would bring about some \$60 billion of economic benefits while creating about 50 000 jobs. He considered that the following targets should also be used as key performance indicators ("KPIs") to assess the success or otherwise of the Park:

- (a) the estimated target number of leading international technology enterprises that would set up their operations in the Park and the strategy, if any, to attract them to Hong Kong; and
- (b) the measures to facilitate the commercialization of research and development ("R&D") achievements.

33. Mr Michael TIEN highlighted the importance of a critical mass of leading technology enterprises in the Park, where young people could gain more exposure and experience before starting their own business.

34. Noting Mr TIEN's concern, Commissioner for Innovation and Technology ("CIT") said that at present, the Hong Kong-Shenzhen Innovation and Technology Park Limited ("HSITPL") was conducting the Master Planning Study and Business Model and Business Planning Study for development of the Park. The two KPIs proposed by Mr TIEN would be examined in the relevant studies.

35. Mr SHIU Ka-fai and Mr LEUNG Che-cheung supported early approval of the current proposal, and urged for expeditious development of

the Lok Ma Chau Loop ("the Loop") in order to enhance Hong Kong's competitiveness in innovation and technology. Under Secretary for Development ("US for D") affirmed that it was the Administration's plan to complete the Advance Works to pave way for subsequent construction works and to enable provision of the first batch of land parcels by 2021 to HSITPL for construction of the superstructure of the Park.

36. Ir Dr LO Wai-kwok referred to Members' recent visit to the Guangdong-Hong Kong-Macao Bay Area and the Mainland's impressive achievement in innovation and technology. He supported early approval of the current proposal in order that the requisite works could commence without delay.

37. Regarding Ms Claudia MO's concern about the allocation of \$3 billion for artificial intelligence ("AI")-related research and animal research facilities, CIT explained that the funding was not related to the development of the Lok Ma Chau Loop and was for building facilities at the Hong Kong Science Park ("HKSP") for supporting the development of key technology platforms for healthcare and AI/robotics technologies research. These platforms would attract top-notch local, Mainland and international R&D institutions, universities and enterprises to stay in or come to Hong Kong.

Planning and development of the Loop

38. In reply to Mr LEUNG Che-cheung's enquiry about plans, if any, to rezone the adjacent land, US for D said that the draft Lok Ma Chau Loop Outline Zoning Plan had been approved by the Chief Executive in Council in January 2018 and gazetted. Currently, there was no plan to rezone the land in the vicinity of the Loop.

39. Mr CHU Hoi-dick referred to an article published in Ming Pao on 27 March 2018 authored by Dr CHOW Sung-ming of the Department of Applied Social Sciences, Hong Kong Polytechnic University. The article, entitled "河套科技園的另類擁有模式", proposed an alternative mode of land ownership and operation in the Loop. Mr CHU sought the Administration's response to the suggestions in the aforesaid article.

40. US for D recapitulated that as the planning and rezoning of the Loop had been completed, it would not be feasible to re-open different options for discussion. Nevertheless, the Administration would provide its views on relevant issues where appropriate.

[*Post-meeting note:* The supplementary information provided by the Administration was issued to members vide LC Paper No. FC329/17-18(01) on 12 September 2018.]

41. Mr Kenneth LAU enquired how and when the Administration would follow up the suggestion of relevant Rural Committees and District Councils to bundle the Loop development with the development of adjacent areas and implement appropriate traffic improvement measures. US for D responded that the suggestion would be examined in the context of development plans for New Territories North. At present, the Administration did not have a specific timetable for the proposed planning.

42. Ms Claudia MO was concerned that upon completion of the Advance Works and detailed design and site investigation for Phase 1 of the Loop development, subsequent development of the superstructures might be put forward in a piecemeal manner over which FC would have very little say. In this regard, CIT said that:

- (a) the Loop had a vast area of some 87 hectares and the total gross floor area of the Park was about three times that of HKSP. It was therefore necessary to take forward the mega project in phases, similar to the phased construction of HKSP;
- (b) as the Park was a long-term development project, the expenditure for the construction cost of the infrastructure and the superstructures would be phased over a number of years; and
- (c) HSITPL was conducting the Master Planning Study and the Business Model and Business Planning Study. When more precise estimates were available, the Administration would seek funding approval in accordance with established procedures.

43. Noting that an earlier proposal to develop the Loop into a higher education hub would no longer be pursued, Mr AU Nok-hin asked whether a certain area in the Loop would still be designated for education development. In response, US for D said that while the Park would focus on innovation and technology, relevant higher education facilities would be set up, details of which would be decided by HSITPL in due course.

Establishment of an ecological area ("EA")

44. Mr YIU Si-wing enquired on the use of the estimated expenditure of \$230 million for the establishment of an EA to reduce the ecological impact during the construction and operation stages of the Loop development. In reply, Project Manager (West), Civil Engineering and Development Department ("PM(W), CEDD") said that the estimated expenditure included the costs for site formation, embankment formation, planting and establishment of reed marsh and marsh habitat and associated works. In preparing the cost estimates, the Administration had made reference to similar works items carried out in the past.

45. Dr Helena WONG and Mr AU Nok-hin sought further details on the proposed EA. In response, PM(W), CEDD explained that:

- (a) works for establishing the EA involved site formation, embankment formation, planting and establishment of reed marsh and marsh habitat and associated works;
- (b) located in the southeastern part of the Loop, the proposed EA was designed as a marsh area formed by embankments and comprising several reed cells and one marsh habitat cell for planting mainly reeds and some aquatic plants. Each cell would be connected by channels with sluice gates controlling the water level in each cell; and
- (c) of the 12.8 hectares of EA, about 7.8 hectares and 3 hectares would be used for providing reed marshes and a marsh habitat respectively, while the remaining 2 hectares would be for associated works.

46. At the request of Dr Helena WONG, the Administration would provide information on the total area of the existing reed marsh and the area which could be preserved from clearance.

[Post-meeting note: The supplementary information provided by the Administration was issued to members vide LC Paper No. FC329/17-18(01) on 12 September 2018.]

Land decontamination treatment

47. Dr Helena WONG expressed support for the proposed project and sought details on land decontamination treatment. In response, PM(W), CEDD said that:

- (a) according to the findings of the environmental impact assessment ("EIA") study conducted under the Planning and Engineering ("P&E") Study, contaminated soil necessitating treatment was limited to 5 local spots with a total quantity of about 57 000 cubic metres;
- (b) land decontamination would be carried out by way of the solidification/stabilization method for these local spots in accordance with the Remediation Action Plan; and
- (c) the remediated soil would be backfilled within the Loop and would not be delivered to landfill sites or other places.

48. Dr Helena WONG expressed concern about the effectiveness of the solidification/stabilization method, as well as the adverse impact, if any, on the fish ponds and farm land in the vicinity. US for D and PM(W), CEDD further explained that:

- (a) land contamination within the Loop was not serious and the only contaminant in excess of prescribed limits necessitating treatment was arsenic;
- (b) as part of the Remediation Action Plan recommended in the EIA report and approved by the Environmental Protection Department ("EPD"), solidification/stabilization was a proven remediation method to effectively refrain the contaminant from leaching to the environment;
- (c) after completion of land decontamination treatment, a report on the effect of the remedial measures would need to be submitted to EPD for approval;
- (d) where practicable, excavation associated with the decontamination works would be carried out during the dry season; and
- (e) during the process of excavation and soil treatment, the

contractor would adopt necessary occupational safety and health measures to protect workers' health and safety of the site.

49. Dr Helena WONG considered that the water and soil quality of fish ponds and farm land in the vicinity should be closely monitored and the Centre for Food Safety should also be engaged in devising measures to ensure that crops/fish produced in the area was safe for consumption. US for D recapitulated that the risk of any adverse effect on fish ponds and farm land was low, as decontamination works would only be carried out within the Loop and the bordering old Shenzhen River meander was not an agricultural area for growing crops. Nevertheless, the Administration would take heed of Dr WONG's concern when drawing up plans for monitoring changes in the surrounding environment caused by the works.

50. Ms Claudia MO asked whether cyanide was also found in the contaminated soil. In reply, PM(W), CEDD said that while he was not an expert in this area, it was understood that arsenic could exist in various chemical forms. If the content of arsenic in the soil was in excess of EPD's prescribed limit, it would be treated regardless of its forms.

51. In reply to Mr Kenneth LAU's enquiry on the time required for land decontamination treatment, PM(W), CEDD said that special arrangement would be made to schedule certain works (such as excavation) to minimize the adverse impact. However, given the relatively small quantity of contaminated soil, it was expected that the treatment process would not take very long to complete.

Transport arrangements and proposed roadworks

52. Mr LEUNG Che-cheung sought information on the temporary access to be constructed under the Advance Works. US for D said that the temporary access at Ha Wan Tsuen East Road would be open to public use. Main Works Package 1 would also include the construction of a permanent access road.

53. Mr CHAN Chi-chuen enquired about the design of the proposed Western Connection Road and whether there were plans to widen the existing Lok Ma Chau Road and San Tin Highway for easing traffic flows after the Park came into operation. In response, PM(W), CEDD said that:

- (a) according to the P&E Study completed on the development of the Loop, the Western Connection Road and a direct road link connecting the MTR Lok Ma Chau Station with the

Loop had been proposed under Main Works Package 1 to provide linkages to the Loop;

- (b) the existing Lok Ma Chau Road and Ha Wan Tsuen East road would be widened with linkage to San Tin Highway and Fanling Highway as part of the proposed Western Connection Road;
- (c) based on the P&E Study, the aforesaid road network would be capable of meeting the traffic demand with respect to Phase 1 of the Loop development; and
- (d) the Administration would keep in view longer-term traffic demands and consider further proposals, such as planning for another road link leading to the eastern part of the Loop.

54. Mr CHAN Chi-chuen asked whether a designated boarding gate would be provided at the MTR Lok Ma Chau Station for use by travellers commuting to and from the Loop without having to pay cross-boundary fares. CIT noted Mr CHAN's view and said that suitable arrangements would be worked out during the detailed design stage.

55. Mr AU Nok-hin asked whether the Shenzhen Metro had reserved any area at Fulin Station of Shenzhen Metro Line 7 for future connection with the Park in the Loop. In response, US for D said that one of the recommendations in the P&E Study for the Loop development was to provide a pedestrian link and associated boundary crossing facilities within the Loop for a direct connection with Shenzhen in the vicinity of Fulin Station. However, the proposal would require further study.

Collaboration between Hong Kong and the Mainland

56. Dr CHENG Chung-tai noted that the P&E Study covered three Areas of the Loop, namely Areas A and B which were within the boundary of Hong Kong Special Administrative Region ("HKSAR"), and Area C in the Shenzhen Municipality. He was concerned that as Shenzhen did not provide the final documentation of the study for Area C to the Hong Kong side, it might be difficult to dovetail the future development of Areas A and B with that in Area C. In response, US for D said that the study for Area C was commissioned by the People's Government of Shenzhen Municipality. It was understood that the development proposal for Area C would be innovation and technology-oriented and in collaboration with the Loop development.

57. Mr AU Nok-hin and Ms Claudia MO expressed concern about collaboration between Hong Kong and Shenzhen in the development of the Loop. In this regard, CIT said that a Joint Task Force comprising representatives from Hong Kong and Shenzhen had been set up to study and discuss major issues arising from the development of the Park. The Hong Kong side and Shenzhen side were led by the Secretary for Innovation and Technology and the Vice Mayor of Shenzhen Municipality respectively, with other members from relevant departments and agencies of both sides.

58. As regards the nature of the Joint Task Force and HSITPL, CIT supplemented that while both comprised members from the Hong Kong side and Shenzhen side, the former was a government-to-government platform for both sides to exchange views and collaborate on future development of the Loop; whereas the latter was a wholly-owned subsidiary company set up by the Hong Kong Science and Technology Parks Corporation to build, operate, maintain and manage the Park.

59. Noting that the Administration had no plan to restrict the future proportion of local, Mainland or overseas personnel to be employed by the enterprises in the Park, Mr CHAN Chi-chuen enquired about the corresponding proportion of such personnel in HKSP, as well as and the future commuting arrangements of the Mainland personnel. In response, CIT said that:

- (a) of the enterprises operating in HKSP, about 70% were local institutions, about 10% from the Mainland and the remaining from overseas;
- (b) the Administration had not compiled statistics on the proportion of local, Mainland and overseas personnel employed by these enterprises;
- (c) information from government-run R&D Centres revealed that about 60% to 70% of their personnel were local residents, about 20% were from the Mainland, and about 10% were from overseas;
- (d) while Mainland and overseas personnel taking up employment in the Park must possess valid employment visas, the Administration had no plans at the moment to restrict their daily commuting and accommodation arrangements;

- (e) according to the Memorandum of Understanding signed between the HKSAR Government and Shenzhen Municipal People's Government in January 2017 ("the MOU"), the Hong Kong side would take effective measures to facilitate the entry and exit of approved Mainland personnel to the Park; and
- (f) the Administration would make reference to the InnoCell project adjacent to HKSP in considering whether similar accommodation arrangements should be provided at the Park or in the vicinity.

Issues related to enforcement and compensation

60. Noting the need for minor clearance of government land for the Advance Works, Mr YIU Si-wing enquired about the ownership of the land in question and whether the affected cultivators would be eligible for the enhanced ex-gratia compensation ("EGC") recently introduced by the Development Bureau.

61. In response, US for D said that pursuant to the MOU, land in the Loop was owned by HKSAR Government. As the Advance Works would not involve any land resumption, EGC would not be applicable. Under the existing mechanism, if any cultivator was affected by land clearance, they could claim for ex-gratia allowance ("EGA") and the Administration would take stock of the crops concerned and assess the amount of EGA payable.

62. Mr CHU Hoi-dick referred to the Administration's follow-up reply in LC Paper No. PWSC166/17-18(01), and noted that currently, the compliance periods had expired in respect of three cases of unauthorized filling of pond to which Reinstatement Notice had been issued. He enquired whether enforcement action would be taken. In reply, District Planning Officer (Fanling, Sheung Shui and Yuen Long East), Planning Department ("DPO(F, SS & YLE)") said that the Planning Department was gathering information and would take prosecution against the notice recipients if there was sufficient evidence.

63. Mr CHU Hoi-dick further noted that in the past three years, the Planning Authority had successfully prosecuted five cases of unauthorized pond filling near Tai Law Hau and Lok Ma Chau Control Point in the vicinity of the Loop and that the concerned ponds had been reinstated to their original state. He asked the Administration to provide the lot

numbers of the land where these ponds were located. DPO(F, SS & YLE) agreed to provide the requested information after the meeting.

[*Post-meeting note:* The supplementary information provided by the Administration was issued to members vide LC Paper No. FC329/17-18(01) on 12 September 2018.]

Voting on FCR(2018-19)12

64. There being no further questions from members, the Chairman put item FCR(2018-19)12 to vote. At the request of members, the Chairman ordered a division, and the division bell was rung for five minutes. The Chairman declared that 32 members voted in favour of and 6 members voted against the item. The votes of individual members were as follows:

For:

Mr James TO Kun-sun	Prof Joseph LEE Kok-long
Mr WONG Ting-kwong	Mr CHAN Hak-kan
Dr Priscilla LEUNG Mei-fun	Mr WONG Kwok-kin
Mrs Regina IP LAU Suk-ye	Mr Frankie YICK Chi-ming
Mr YIU Si-wing	Mr MA Fung-kwok
Mr Charles Peter MOK	Mr LEUNG Che-cheung
Mr Kenneth LEUNG	Ms Alice MAK Mei-kuen
Mr KWOK Wai-keung	Dr Helena WONG Pik-wan
Dr Elizabeth QUAT	Mr POON Siu-ping
Ir Dr LO Wai-kwok	Mr HO Kai-ming
Mr LAM Cheuk-ting	Mr Holden CHOW Ho-ding
Mr SHIU Ka-fai	Ms YUNG Hoi-yan
Dr Pierre CHAN	Mr CHAN Chun-ying
Mr HUI Chi-fung	Mr LUK Chung-hung
Mr LAU Kwok-fan	Mr Kenneth LAU Ip-keung
Mr KWONG Chun-yu	Mr Tony TSE Wai-chuen

(32 members)

Against:

Mr LEUNG Yiu-chung	Mr CHAN Chi-chuen
Dr Fernando CHEUNG Chiu-hung	Mr Alvin YEUNG
Mr CHU Hoi-dick	Dr CHENG Chung-tai

(6 members)

65. The Chairman declared that the item was approved.

66. During discussion of this item, the Chairman suspended the meeting at 5:13 pm for members to take a short break. The meeting resumed at 5:25 pm.

Item 4 — FCR(2018-19)13

HEAD 156 — GOVERNMENT SECRETARIAT : EDUCATION BUREAU

Subhead 700 — General non-recurrent

New Item — "Payment of examination fees for school candidates sitting for the 2019 Hong Kong Diploma of Secondary Education Examination"

67. The Chairman said that this item invited FC to approve a new commitment of \$170 million for payment of examination fees for school candidates sitting for the 2019 Hong Kong Diploma of Secondary Education Examination ("HKDSE"). The Education Bureau consulted the Panel on Education on the proposal on 13 April 2018.

Regularization of the relief measure

68. While expressing support for the proposal, Mr KWOK Wai-keung urged for regularization of the relief measure, at least for the current term of government. Given the injection of new resources into the policy area of education, Ms Starry LEE was of the view that Administration should regularize the relief measure.

69. Noting that as announced in the 2018-2019 Budget, the Pilot Scheme on Promoting Interflows between Sister Schools in Hong Kong and the Mainland would be regularized in the 2018-2019 school year at an estimated annual expenditure of around \$170 million, Dr CHENG Chung-tai considered that the relief measure should be regularized to provide assistance to HKDSE candidates on an ongoing basis.

70. In response, Under Secretary for Education ("US for E") advised that the one-off relief measure, as announced in the 2018-2019 Budget, aimed to share the fruits of economic success. Whether or not it should be regularized would involve consideration of policy issues such as the "user pays" principle and the independence of the Hong Kong Examinations and Assessment Authority ("HKEAA"), etc. Nevertheless, she took note of members' views and would follow up with stakeholders including the relevant task groups set up to consider the use of new resources for education purposes.

Private candidates for HKDSE

71. Mr CHAN Chi-chuen referred to the motion passed by the Panel on Education urging that the relief measure to pay the examination fees for school candidates sitting for the 2019 HKDSE should also cover private candidates who sat for HKDSE in 2016, 2017 and 2018. Noting the Administration's decision to confine the measure to school candidates only, Mr CHAN queried why the Administration would not suitably relax the eligibility criteria to provide assistance to some, if not all, private candidates. Mr HUI Chi-fung took the view that the proposed relief measure was discriminatory against private candidates.

72. Ms Starry LEE said that the Administration's decision not to cover private candidates under the relief measure was unreasonable and hasty. She opined that the Administration should devise appropriate administrative measures to deal with possible abuse rather than excluding private candidates altogether. Ir Dr LO Wai-kwok concurred that suitable measures, such as partial subsidy for private candidates, could help reduce abuse and provide encouragement to private candidates. Mr Wilson OR considered that the proposed relief measure was well-intended but badly handled. In recognition of private candidates' aspiration to improve themselves, Mr OR urged the Administration to strengthen support for them in the future.

73. In response, US for E advised that:

- (a) the diverse views expressed following the announcement of the relief measure in the 2018-2019 Budget had caused grave worries among parents and candidates and put considerable psychological pressure on them;
- (b) confining the one-off measure to school candidates on this occasion could effectively remove the worries and pressure of candidates and was in their interest;
- (c) the Administration fully acknowledged the hard work of private candidates and was committed to providing them necessary support, such as by raising the subsidy ceiling under the Continuing Education Fund to \$20,000; and
- (d) the Administration would examine the views and suggestions raised by members on the proposed one-off measure when considering future arrangements.

74. Mr CHAN Chi-chuen asked whether there was room for adjustment if only private candidates who sat for HKDSE in 2018 were to be eligible for the relief measure. He also indicated that he would move a FCP 37A motion to this effect. In response, US for E said that further adjustment would be very difficult as candidates' registration for Category C subjects in 2019 HKDSE would commence in June 2018.

Non-local students

75. Dr Helena WONG sought clarification on:

- (a) whether non-local students studying in schools outside Hong Kong (e.g. in the Mainland) would be eligible for the relief measure;
- (b) the payment method of the examination fees; and
- (c) eligibility of a candidate repeating one or more subjects who enrolled for HKDSE on his/her own.

76. In response, US for E explained that:

- (a) to be eligible for the relief measure, a candidate must be enrolled in a registered school approved for participation in the 2019 HKDSE in the 2018-2019 school year and be entered in the 2019 HKDSE through his/her school, regardless of whether he/she was a first-time candidate or a repeater in a day school or evening school;
- (b) under existing policy, schools in Hong Kong were not permitted to admit non-local students who were staying in Hong Kong as "visitors". Hence, non-local "visitors" could not be entitled to the proposed payment of examination fees;
- (c) candidates who did not enroll for HKDSE through approved schools would not be eligible for the relief measure; and
- (d) the examination fees would be paid by the Government on behalf of the school candidates directly to HKEAA.

77. Mr CHAN Chi-chuen noted with concern that in recent years, there had been a sharp increase in the number of non-local students sitting for HKDSE. He sought clarification on media reports that HKEAA had been promoting HKDSE among tutorial schools in the Mainland. In this

regard, US for E advised that as HKDSE was an internationally recognized examination, HKEAA had been invited to relevant bodies outside Hong Kong to introduce and promote the qualification with a view to providing multiple pathways for students. The event referred to by Mr CHAN was organized for Hong Kong residents and their children living in the Mainland.

Motion proposed by a member under paragraph 37A of the Finance Committee Procedure

78. At 6:53 pm, FC voted on whether a [motion](#) proposed by Mr CHAN chi-chuen under FCP 37A should be proceeded with forthwith. At the request of members, the Chairman ordered a division. The Chairman declared that the question on proceeding with the motion forthwith was negatived.

Voting on FCR(2018-19)13

79. There being no further questions from members, the Chairman put item FCR(2018-19)13 to vote. The Chairman declared that he thought the majority of the members present and voting were in favour of the item. The item was approved.

80. The meeting ended at 6:53 pm.

點名表決 DIVISION: 2
日期 DATE: 18/05/2018
時間 TIME: 04:24:26 下午 PM

動議 MOTION: 動議其後就相同議程項目下任何議案或待議議題進行點名表決時，委員會須在點名表決鐘聲響起一分鐘後進行點名表決
Motion that in the event of further divisions being claimed of any motions or questions under the same agenda item, the Committee do proceed such divisions immediately after the division bell has been rung for one minute

動議人 MOVED BY:

出席 Present : 48
投票 Vote : 47
贊成 Yes : 39
反對 No : 7
棄權 Abstain : 1
結果 Result : 通過 Passed

個別表決如下 THE INDIVIDUAL VOTES WERE AS FOLLOWS:

議員	MEMBER	投票	VOTE	議員	MEMBER	投票	VOTE
陳健波	CHAN Kin-por	出席	PRESENT	葛珮帆	Dr Elizabeth QUAT	贊成	YES
涂謹申	James TO			廖長江	Martin LIAO		
梁耀忠	LEUNG Yiu-chung	棄權	ABSTAIN	潘兆平	POON Siu-ping	贊成	YES
石禮謙	Abraham SHEK	贊成	YES	蔣麗芸	Dr CHIANG Lai-wan		
張宇人	Tommy CHEUNG			盧偉國	Ir Dr LO Wai-kwok	贊成	YES
李國麟	Prof Joseph LEE			鍾國斌	CHUNG Kwok-pan	贊成	YES
林健鋒	Jeffrey LAM	贊成	YES	楊岳橋	Alvin YEUNG	贊成	YES
黃定光	WONG Ting-kwong	贊成	YES	尹兆堅	Andrew WAN	贊成	YES
李慧琼	Starry LEE	贊成	YES	朱凱迪	CHU Hoi-dick	反對	NO
陳克勤	CHAN Hak-kan	贊成	YES	吳永嘉	Jimmy NG	贊成	YES
梁美芬	Dr Priscilla LEUNG	贊成	YES	何君堯	Dr Junius HO		
黃國健	WONG Kwok-kin	贊成	YES	何啟明	HO Kai-ming	贊成	YES
葉劉淑儀	Mrs Regina IP			林卓廷	LAM Cheuk-ting	贊成	YES
謝偉俊	Paul TSE			周浩鼎	Holden CHOW	贊成	YES
毛孟靜	Claudia MO	反對	NO	邵家輝	SHIU Ka-fai	贊成	YES
田北辰	Michael TIEN	贊成	YES	邵家臻	SHIU Ka-chun		
何俊賢	Steven HO	贊成	YES	柯創盛	Wilson OR	贊成	YES
易志明	Frankie YICK			容海恩	YUNG Hoi-yan	贊成	YES
胡志偉	WU Chi-wai			陳沛然	Dr Pierre CHAN	反對	NO
姚思榮	YIU Si-wing	贊成	YES	陳振英	CHAN Chun-ying	贊成	YES
馬逢國	MA Fung-kwok			陳淑莊	Tanya CHAN		
莫乃光	Charles Peter MOK	贊成	YES	張國鈞	CHEUNG Kwok-kwan	贊成	YES
陳志全	CHAN Chi-chuen	反對	NO	許智峯	HUI Chi-fung	贊成	YES
陳恒鎮	CHAN Han-pan			陸頌雄	LUK Chung-hung	贊成	YES
梁志祥	LEUNG Che-cheung	贊成	YES	劉國勳	LAU Kwok-fan	贊成	YES
梁繼昌	Kenneth LEUNG	贊成	YES	劉業強	Kenneth LAU		
麥美娟	Alice MAK	贊成	YES	鄭松泰	Dr CHENG Chung-tai	反對	NO
郭家麒	Dr KWOK Ka-ki			鄭俊宇	KWONG Chun-yu		
郭偉強	KWOK Wai-keung	贊成	YES	譚文豪	Jeremy TAM		
郭榮鏗	Dennis KWOK	贊成	YES	范國威	Gary FAN	反對	NO
張華峰	Christopher CHEUNG	贊成	YES	區諾軒	AU Nok-hin	贊成	YES
張超雄	Dr Fernando CHEUNG	反對	NO	鄭泳舜	Vincent CHENG	贊成	YES
黃碧雲	Dr Helena WONG	贊成	YES	謝偉銓	Tony TSE	贊成	YES
葉建源	IP Kin-yuen						