

**立法會**  
**Legislative Council**

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(These minutes have been  
seen by the Administration)

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

**Minutes of the 8<sup>th</sup> meeting  
held at the Legislative Council Chamber  
on Wednesday, 26 January 2000, at 10:45 am**

**Members present:**

Hon HO Sai-chu, SBS, JP (Chairman)  
Ir Dr Hon Raymond HO Chung-tai, JP (Deputy Chairman)  
Hon Kenneth TING Woo-shou, JP  
Hon James TIEN Pei-chun, JP  
Hon Edward HO Sing-tin, SBS, JP  
Hon LEE Wing-tat  
Hon Eric LI Ka-cheung, JP  
Hon Fred LI Wah-ming, JP  
Prof Hon NG Ching-fai  
Hon James TO Kun-sun  
Hon CHEUNG Man-kwong  
Hon Christine LOH  
Hon CHAN Yuen-han  
Hon CHAN Kam-lam  
Hon SIN Chung-kai  
Hon WONG Yung-kan  
Hon LAU Kong-wah  
Hon Emily LAU Wai-hing, JP  
Hon Andrew CHENG Kar-foo  
Hon LAW Chi-kwong, JP  
Dr Hon TANG Siu-tong, JP

**Members absent:**

Hon Cyd HO Sau-lan  
Dr Hon LEONG Che-hung, JP

Hon Gary CHENG Kai-nam, JP  
Hon Mrs Miriam LAU Kin-yee, JP  
Hon TAM Yiu-chung, GBS, JP

**Public officers attending:**

Miss Elizabeth TSE	Deputy Secretary for the Treasury
Mr James HERD	Principal Assistant Secretary for the Treasury (Works)
Mr S S LEE, JP	Secretary for Works
Mr Gordon SIU	Secretary for Planning and Lands
Mr Rob LAW, JP	Director of Environmental Protection
Mrs Erika HUI	Assistant Commissioner for Tourism, Tourism Commission, Economic Services Bureau
Mr S H PAU, JP	Director of Architectural Services
Mr R F TUPPER	Deputy Secretary for Economic Services
Mr Y C LO, JP	Director of Civil Engineering
Mr S C YIP	Assistant Director (Civil)/Project Management, Civil Engineering Department
Mr Raymond H C WONG	Deputy Secretary for Security
Mrs Carrie WILLIS	Principal Assistant Secretary for Security
Mr S G CROW	Project Manager, Architectural Services Department
Mr David H Y TONG	Assistant Commissioner (Border and Drugs), Customs and Excise Department
Mr Ernest LEE Shu-wing	Assistant Commissioner (New Territories), Transport Department
Mr TANG Man-kit	Senior Principal Immigration Officer (Border), Immigration Department
Mr FAN Ho-chuen	Project Manager, Electrical and Mechanical Services Department
Mr TSANG Yam-pui	Deputy Commissioner of Police (Management)
Mr KWOK Ka-keung	Director of Finance, Administration and Planning, Hong Kong Police Force
Mr D G THOMAS	Chief Superintendent of Police (Planning and Development), Hong Kong Police Force
Mr Albert LAI	Government Property Administrator
Mr Patrick LI	Principal Assistant Secretary for Education and Manpower
Mr Peter P Y LEUNG	Assistant Director of Education (Special Duties)

**Clerk in attendance:**

Miss Polly YEUNG

Chief Assistant Secretary (1)3

**Staff in attendance:**

Ms Pauline NG

Assistant Secretary General 1

Ms Anita SIT

Senior Assistant Secretary (1)8

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**PUBLIC WORKS PROGRAMME**

**New commitment for a subvented project**

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

**PWSC(1999-2000)86      1QG      Tourist District Enhancement - pilot scheme in Central and Western District**

Miss Emily LAU enquired about the reasons for selecting Central and Western District (C&WD) but not other districts for the proposed enhancement works. In reply, the Assistant Commissioner for Tourism (AC/T) advised that the proposed enhancement in C&WD was intended to be a pilot scheme to obtain experience for further district-based tourist improvement programmes. According to the survey conducted by the Hong Kong Tourist Association, C&WD had attracted about 3 million visitors in 1998. Apart from being a very popular tourist district featuring a wide variety of tourist attractions, C&WD was easily accessible from different parts of the territory and was the financial, administrative and civic hub of Hong Kong.

2. In this connection, AC/T informed members that there were other tourist improvement projects being implemented or under planning. For instance, works were underway to upgrade the directional signage in Stanley, and a project to upgrade signage and provide information boards along the pedestrian walkways from the Star Ferry pier in Central to the Peak Tram Station would be implemented shortly. It was hoped that through these projects, ideas and standards for directional signage and other information facilities for tourists would be developed and relevant Government departments would be encouraged to adopt these as part of their routine work programmes. It was also the Administration's intention to enlist the cooperation of relevant District Councils in future district-based tourist improvement programmes.

3. As regards complaints by tourists about the inadequacy of directional signage, AC/T advised that although no specific statistics were available, the

Tourism Commission had received views from various sources revealing the need to improve signage leading to certain tourist attractions such as the Peak Tram Station. Addressing Miss LAU's concern on whether directional signage on tourist attractions in C&WD would be available outside the district, AC/T confirmed that signage and map boards on tourist attractions would also be provided at strategic locations such as ferry piers and bus stops to help tourists identify their way to tourist attractions; useful information was also provided at Mass Transit Railway stations.

4. Mr LEE Wing-tat enquired about the scope of improvements for the elevated walkway network in C&WD. Mr Edward HO sought clarification on the location of the all-weather shopping trail referred to in paragraph 3(e) of the discussion paper. In reply, AC/T clarified that the proposed improvements covered two elevated walkway networks, one connecting the various shopping malls in Admiralty from Hutchison House to Pacific Place, and the other connecting the various commercial buildings and shopping malls in Central. She confirmed that the improvements would be confined to the provision of directional signage and information boards the purpose of which was to promote the use of these walkway networks by tourists for access to various shopping areas in Central and Admiralty and to facilitate movement to various tourist attractions.

5. Mr LEE Wing-tat urged caution on the part of the Administration in designating certain areas as a specific tourist attraction such as an all-weather shopping trail as referred to in paragraph 3(e). He pointed out that delineation of the boundary of such designated attractions was often arbitrary but information on such attractions would probably be highlighted in tourist guide books, thus giving rise to contentions and complaints by operators of tourist-related business located outside the boundary of such designated attractions about favouritism.

6. Noting that most of the streets proposed for enhancement were rather narrow at present, Mr LEE Wing-tat pointed out that if the district enhancement plan was successful in attracting more tourists to these streets, congestion in pedestrian traffic would result. In response, AC/T elaborated that upon completion of the improvement works for C&WD under the present proposal and other related works projects such as the planned widening of Mosque Street to improve both vehicular and pedestrian traffic, the overall network of pedestrian access facilities in C&WD would be able to cope with the present and future pedestrian traffic. Under the present proposal, the proposed footpath to connect Wo On Lane to Lok Hing Lane Sitting-out Area would provide an additional access for east-west pedestrian traffic in Central, whilst the improvements for the Central-Mid-Level Escalator were intended to attract more tourists to use the facility to access places of interest in the district.

7. In reply to Prof NG Ching-fai's enquiry about the improvements to the Sun Yat-sen Historical Trail, AC/T advised that some simple signage had been

erected at the trail by the former Provisional Central and Western District Board in conjunction with the Antiquities and Monuments Office. The improvements under the present proposal mainly sought to provide more textual and pictorial interpretative facilities to enrich the information available to visitors.

8. Mr Edward HO expressed support for the present proposal but commented that to facilitate members' assessment of its cost-effectiveness, the Administration should provide a breakdown of the project estimate by the location of enhancement works as set out in paragraph 3(a) to (e) or by enhancement items such as street repaving and signage upgrading. Mr LAW Chi-kwong shared a similar view.

9. In response, the Director of Architectural Services (DArchS) clarified that although the proposed enhancement works would be carried out at different locations, they constituted one single project and thus the costing had been drawn up based on the type, rather than the location, of works. He further advised that the works item "drainage and external works", which accounted for about two-third of the total project cost, covered the works on signage, street repaving, street lighting etc. while street repaving was the most costly item. In view of members' concern, the Chairman requested and DArchS agreed to provide a more detailed breakdown of the project estimates for members' reference.

Admin

10. Noting that under the current schedule, it would take more than three years to complete the proposed enhancement works, Mr CHAN Kam-lam suggested that instead of awarding the works to one contractor, several contractors should be engaged to carry out the works concurrently at different locations so as to expedite the project. In response, DArchS explained that although the proposed works covered extensive areas, they did not constitute an exceptionally large project. Splitting the project into several contracts might not be cost-effective as this would offer less savings resulting from economies of scale. Moreover, engaging more than one contractor at the same time might also give rise to interface and co-ordination problems. He also remarked that as the works had to be staggered and scheduled around peak tourist seasons and festival periods in order to minimize disruption to road traffic, engaging several contractors at the same time might not necessarily expedite the project.

11. Mr James TIEN pointed out that many of the streets in C&WD were characterized by very old buildings with a worn down outlook and unsightly structures. He asked whether the Administration had any plan to improve the aesthetic appeal of these areas as tourist spots. In reply, AC/T said that the proposed district enhancement works mainly sought to upgrade the public facilities frequented by tourists. There was no corresponding plan to carry out enhancement works for private buildings. In this regard, she commented that the presence of both historical and modern architecture in C&WD might be a characteristic of interest to tourists.

12. Noting that at present, alcoholic drinks could only be sold during certain hours of the day under some liquor licences, Mr James TIEN opined that this restriction might cause inconvenience to eateries at tourist spots. He further enquired whether there was any plan to review the relevant licensing conditions. In reply, AC/T advised that the Business and Services Promotion Unit had recently completed a study on the licensing system for eateries and Mr TIEN's concern might have already been addressed in the context of the said study. She however assured members that the Tourism Commission would continue to formulate measures to strengthen both the infrastructure and strategies to promote tourism and would welcome members' suggestions.

13. Mr LAW Chi-kwong said that Members of the Democratic Party had suggested to the Administration earlier on that the management of certain public facilities such as elevated walkways should best be contracted out to private companies which might in turn let out advertisement spaces at the public facilities under their management to finance management expenses and enhancement. He considered that if this approach was adopted, some of the enhancement works under the present proposal could be undertaken by the private sector without incurring public expenditure. He thus enquired whether the Administration had examined this suggestion in connection with the proposed enhancements.

14. In response, AC/T pointed out that the suggestion involved broader policy issues that fell outside the scope of the present proposal. The proposed enhancement works mainly sought to facilitate tourists to locate tourist attractions and to improve the streetscape of certain tourist popular locations. In this connection, she clarified that the directional signage on shopping malls would be simple and standardised without advertising elements. However, as many elevated walkways in Central and Admiralty were within private properties, the Administration would liaise with the developers concerned with a view to encouraging the developers to make concerted efforts to provide adequate directional signage for tourists.

15. Taking note of Mr LAW Chi-kwong's concern, the Secretary for Planning and Lands said that the subject of contracting out the management of public walkways and escalators and letting out advertisement spaces at these facilities straddled a number of policy areas apart from tourism. He undertook to convey the suggestion of Mr LAW to the responsible Policy Secretaries for consideration.

Admin

16. The Chairman remarked that whilst letting out advertisement spaces at public facilities might help generate revenue, it should be recognized that commercial advertisements might contain exaggerated information which might not be of assistance to tourists. He therefore cautioned that the arrangement might not serve the purpose of providing simple and direct information to tourists.

17. The item was voted on and endorsed.

### **Upgrading of projects to Category A**

#### **HEAD 702 - PORT AND AIRPORT DEVELOPMENT**

##### **PWSC(1999-2000)92      113AP      West Tuen Mun Port Development Feasibility Study**

18. Mr James TIEN referred to the Administration's remark in the discussion papers for this item and the previous item PWSC(1999-2000)86 that the Administration had provided information papers on the proposals to members of the Economic Services Panel and had not received any feedback or adverse comments from members. As Chairman of the Economic Services Panel, Mr TIEN stressed that formal consultation with Panels should not be regarded to have taken place by the mere circulation of information papers. He considered that if a funding proposal had important policy implications, the Administration should plan ahead and ask for the item to be discussed by the Panel in order to gauge Panel members' views. Mr TIEN added that he had instructed the Panel Clerk to convey his concern to the Administration.

19. Mr CHAN Kam-lam expressed objection to the proposed study. He considered that the need for more container terminals (CT) and port facilities in Hong Kong had not yet been ascertained. The present proposal was contrary to the Government's forecasts that port cargo throughput in Hong Kong had been on the decrease since the decision to develop CT9. He recalled that members had on previous occasions urged the Administration to review the demand and supply of CT and port facilities based on up-to-date economic information, but apparently, the present proposal had not been drawn up on the basis of an updated review.

20. In response, the Deputy Secretary for Economic Services (DS/ES) said that it was the Government's policy to build CT and port facilities to meet forecast demand. The Port and Maritime Board engaged consultants at regular intervals to undertake studies to forecast on port cargo throughput. The last forecast study, which was conducted in 1998, had taken into account all aspects of cargo growth in Hong Kong's catchment area, i.e. the Pearl River Delta area, competition from other ports in the Mainland, changes to traffic routings and so on. While the annual throughput growth predicted in the 1998 forecast study was 4.8%, the actual throughput in 1997 had increased by 7.5% and dropped by 1.8% in 1998. The throughput in 1999 was estimated to increase by 8 to 9%. He considered that the outturn throughput figures were very much in line with the 1998 forecasts. DS/ES further advised that the estimated throughput growth in Year 2000 would be over 1.2 million TEU. To cope with the increasing demand for CT and port facilities, it was necessary to formulate a long-term port

development strategy with suitable site(s) identified for new port facilities. Since the site at Penny's Bay was no longer available for CT development due to the Disneyland project, and there were plans to develop Northeast Lantau as a major tourism/recreation area, the Administration considered it opportune to undertake a feasibility study to confirm whether West Tuen Mun (WTM) was a suitable site for new CT and port facilities.

21. The Director of Civil Engineering (DCE) supplemented that WTM had been identified as one of the possible sites for CT and port development as early as 1989 under the Port and Airport Development Strategy Study. As regards the demand for CT and port facilities, he advised that according to the aforesaid 1998 forecast study, port cargo throughput in Hong Kong would increase from 13.5 million TEU in 1996 to 17 million TEU in 1999, 24.1 million TEU in 2006 and 32.8 million TEU in 2016. Thus, the annual throughput growth was estimated to be around 6% between 1996 to 2006 and 3.1% between 2006 to 2016.

22. As to whether the 1998 forecast figures had been updated based on recent economic data, DS/ES confirmed that the 1998 forecasts were the most recent ones. He stressed that although these forecasts had not been updated recently, the actual cargo throughput growth over the past few years, except for 1998 when there had been a drop due to the Asian financial turmoil, was very much in line with the forecasts. Mr CHAN Kam-lam maintained his objection to the proposed study as the Administration had not provided sufficient information to establish the need for new CT and port facilities.

23. Miss Christine LOH requested that her objection to the proposal be recorded. She pointed out that the Administration's throughput forecasts had been proved highly inaccurate for quite a number of years as the existing CT and port facilities had been able to cope with increased cargo throughput through improved efficiency. She further commented that the Port and Maritime Board had a natural bias for more port facilities and therefore, instead of relying on the Board's studies on port development, there should be more discussion community-wide on the need for and the impacts of building more CT and port facilities in Hong Kong. As such, Miss LOH stated that at this stage, she would not support any funding proposal relating to port expansion, even for a feasibility study as presently proposed.

24. Mr LEE Wing-tat shared Miss Christine LOH's view, and pointed out that the Administration's forecasts of port cargo throughput had proved to be unreliable in the past. He recalled that in the Port and Airport Development Strategy Study completed in 1993/94, it was estimated that the first berth of CT9 should be ready by 1995 to meet the then demand. However, as at today, CT9 was still under construction and the existing CTs were still capable of coping with the demand. As such, he considered it not acceptable to justify the proposed study on the basis of the cargo throughput forecasts of 1998. He also

recalled that a number of alternative sites for port development had been identified in the Port and Airport Development Strategy Study, but the Administration had only presented the option of WTM on this occasion for members' consideration.

25. Mr SIN Chung-kai said that as the former Chairman of the Kwai Tsing District Board, he fully understood the impacts of container terminal operations on the districts in the vicinity. While he concurred with the need for a long-term plan to meet future demand for port facilities, he considered that instead of seeking to assess the suitability of CT sites, the right move at this stage was to undertake a comprehensive review on the demand and supply of port facilities. In this connection, he suggested that the following factors should be taken into account: the Mainland's accession to the World Trade Organisation, the development of port facilities in the Mainland and in neighbouring countries, and the trend of increasing capacity of container vessels which might bring about significant changes in the mode of cargo operations and more importantly, affect the relationship between the volume of cargo throughput and the demand for CT facilities.

26. Referring to the study on port development at Penny's Bay which was subsequently aborted as a result of the decision to proceed with the Disneyland project, Mr James TIEN was of the view that to avoid wasting resources, the Administration should consider broadening the scope of the proposed study by including other development options or land uses for the WTM site apart from CT and port development. In response, DCE stated that given limited time and resources, it was necessary to set a clear objective for the study such that the scope of the study could be suitably defined. He further explained that the WTM site was chosen for possible port development because the cross boundary road links under planning including the Shenzhen Western Corridor and the Ling Ding Yang Bridge would significantly improve the accessibility of WTM. The Mainland authorities were also planning to dredge the Tonggu Waterway which would open up an alternative marine access to WTM. Apart from the strategic location of WTM in relation to these traffic links, WTM also had the advantages of deep water access and being fairly remote from urban areas.

27. Mr James TIEN remarked that similar arguments for the previous study on port development at Penny's Bay had been put forward by the Administration but the study was still rendered abortive as a result of the subsequent change in land use. He therefore reiterated that it would not be cost-effective to restrict the scope of the study to assessing the suitability of WTM for port development only. Instead, it should be broadened to include other development or land use options.

28. In view of members' concerns and comments, the Deputy Secretary for the Treasury proposed to withdraw this item for further consultation with the Economic Services Panel. The Chairman advised that the Administration should provide relevant information to address members' concerns and queries raised at

this meeting in its paper to the Panel in due course.

29. The item was withdrawn by the Administration.

## **HEAD 703 - BUILDINGS**

### **PWSC(1999-2000)87      6GB      Expansion of kiosks and other facilities at Lok Ma Chau boundary crossing – remaining works**

30. The Chairman informed members that this proposal had been discussed at the meeting of the Security Panel on 7 December 1999.

31. Mr Edward HO declared his interest that he was a partner of the consultancy firm engaged for this project. He said that he would not take part in the voting of this item.

32. Mr CHAN Kam-lam said that while he agreed to the need to expand the capacity of the Lok Ma Chau boundary crossing on account of increasing cross boundary traffic, he considered it of paramount importance to work closely with the Mainland authorities to ensure that improvements to the boundary crossing facilities on the Hong Kong side were complemented by corresponding improvements on the Mainland side. He particularly pointed out that co-operation from the Mainland authorities should be enlisted to streamline the immigration and customs procedures at the boundary crossing as the present situation was far from satisfactory.

33. Mr James TIEN shared the concern of Mr CHAN Kam-lam and enquired whether, according to the Administration's knowledge, the Mainland authorities had any plan to improve their facilities at Huanggang, Shenzhen.

34. The Deputy Secretary for Security (DS/S) shared members' view that close co-operation between the Hong Kong Government and the Mainland authorities was necessary to ensure that the improvements to facilities on both sides were complementary. While emphasizing the need to improve and expand the existing boundary crossing facilities at Lok Ma Chau to cope with the increasing passenger and vehicular traffic, he assured members that the Administration had all along maintained close liaison with relevant Mainland authorities at different levels to convey the concerns of the freight transport industry and to discuss both long-term and short-term improvement measures for cross boundary traffic.

35. On the co-operation between the two sides on facility improvements, DS/S advised that in fact, the passenger and vehicle handling capacities of the boundary crossing at Huanggang had been improved earlier on and thus the

proposed expansion works at Lok Ma Chau were to some extent to tie in with the improved facilities at Huanggang. He also informed members that the Mainland authorities placed high priority on cross boundary traffic management and had put in considerable efforts to upgrade and improve their facilities. For instance, more manpower had been deployed, additional counters and kiosks had been opened with improved layout to facilitate traffic flow, and advanced computerized systems had been installed such as the automatic vehicle licence recognition system. Furthermore, co-ordination among relevant official units had been improved with the setting up of an emergency co-ordination task force at the boundary crossing, and the Shenzhen authorities had improved the management of the traffic in the vicinity of the boundary crossing.

36. Mr CHAN Kam-lam and Mr James TIEN specifically asked whether the Administration had examined with the Mainland authorities possible measures to streamline the immigration and customs procedures at the Lok Ma Chau/Huanggang boundary crossing, as they found that it still took quite a long time on average to complete the immigration and customs procedures at Huanggang. Mr Kenneth TING suggested that it might be useful to make reference to the immigration and customs procedures adopted at the border crossing between Canada and the United States where passengers only needed to undergo a single series of immigration and customs checks.

37. In response, DS/S stressed that under the "one country, two systems" principle, the Hong Kong Special Administrative Region and the Mainland maintained separate immigration and customs control systems. He however advised that the Administration was examining certain long-term measures to streamline the clearance procedures at future new control points. As the subject involved complicated jurisdictional and legal issues, it would take some time to establish the viability of such measures.

38. Mr Kenneth TING said that according to his understanding, the X-ray vehicle inspection system used in the Mainland had proved to be very effective. He suggested that the Administration liaise with the Mainland in this regard. The Project Manager, Electrical and Mechanical Services Department advised that the contract for the supply and installation of the proposed fixed X-ray vehicle inspection system at Lok Ma Chau boundary crossing would be awarded through a tendering exercise open to suppliers worldwide. In selecting the supplier, consideration would be given to factors such as whether the proposal would meet the relevant technical and operational requirements, as well as the bidding price. DS/S added that the Customs and Excise Department had studied the X-ray vehicle examination system installed at Huanggang. The Chairman requested the Administration to take note of Mr Kenneth TING's suggestion and consider whether or not to extend the tender invitation to the relevant institute(s) in the Mainland.

39. On whether the Lok Ma Chau boundary crossing had any reserve capacity for expansion to cope with future increase in cross boundary traffic, DS/S advised that the Administration was planning for new boundary crossing facilities including a railway spur line linking Sheung Shui and Lok Ma Chau and the Shenzhen Western Corridor which were scheduled for completion by 2004 and 2005 respectively.

40. Prof. NG Ching-fai sought clarification on the target completion time of the proposed expansion works. In reply, DArchS confirmed that the proposed works were scheduled for completion by 2003. The expenditure estimated to be incurred in 2004 and 2005 would be payments in arrears after completion of works.

41. The item was voted on and endorsed.

**PWSC(1999-2000)88    234LP    Redevelopment    of    Police  
Headquarters,    Arsenal    Street,  
Wanchai (Arsenal Yard phase 3  
development) - stage 2**

42. At the invitation of the Chairman, the Deputy Commissioner of Police (Management) (DC/P) introduced the proposal by highlighting the following points-

- (a) The redevelopment of the Police Headquarters (PHQ) involved the demolition of the 20-storey May House and the construction of a new complex with four basement levels and 43 storeys. The demolition works and other stage 1 works were progressing on schedule and were scheduled for completion in June 2000. The new complex would provide accommodation to replace May House and Caine House in PHQ and the existing Wanchai District Headquarters and Divisional Station. Upon completion of the project, part of the Caine House site and the whole of the site of the existing Wanchai District Headquarters and Divisional Station would be relinquished to the Government.
- (b) Whilst the concerns and views expressed by members of the Security Panel and the Public Works Subcommittee (PWSC) had been taken into account in drawing up the present proposal for the stage 2 works, no change had been made to the scope of facilities to be provided in the new complex, or to the original estimate for the project.
- (c) There had been considerable media reports on the present proposal. Contrary to certain criticisms, the proposed new complex was not

luxurious, but would be a modern and intelligent building with the use of advanced technologies to conserve energy and facilitate building management, fire safety and security management. The new complex would meet the current and future operational requirements of the Police. Its high-rise design would also optimize the development potential of the site.

- (d) By co-locating various units of the PHQ currently housed in different locations, support facilities and services could be shared among different units/formations to enhance cost-effectiveness. Furthermore, the quality of services to the public would be improved through the provision of one-stop services.

43. Mr CHEUNG Man-kwong pointed out that the project required a huge financial commitment of over \$3,200 million which was comparable to the construction cost for 30 secondary or primary schools. Referring to the Hospital Authority Head Office Building which he considered costly, Mr CHEUNG stressed that the present proposal should be scrutinized vigorously to ensure that it was cost-effective and did not include any over-provision or luxurious items. He sought clarification on the following -

- (a) whether the top floor of the complex was designated for a clubhouse facility exclusively for senior police officers;
- (b) the justification for the proposed Chinese restaurant, bearing in mind that the Director of Audit had strongly criticized the provision of staff canteens within Government office buildings which were often under-utilized; and
- (c) the justification for providing a 300-seat auditorium as well as a multi-purpose hall with a capacity of accommodating 200 persons.

44. Miss Emily LAU said that she supported the redevelopment project in principle but shared Mr CHEUNG Man-kwong's concern that given its huge financial requirement and the current economic climate, the proposal should not include any excessive and/or luxurious facilities. She informed members that she had verbally requested the Administration to provide the relevant schedule of accommodation for reference. Referring to the information tabled by the Administration issued subsequently vide LC Paper PWSC75/99-00 dated 27 January 2000, she considered the information therein insufficient and sought clarification on the following-

- (a) the designated use of the two top floors of the new complex and whether they would be for the exclusive use of senior police officers;

- (b) whether a gymnasium and as many as 24 lifts would be provided in the complex and;
- (c) whether all the four basement levels would be used for carparking.

Admin

45. As regards the schedule of accommodation for the new complex, DC/P said that the document was voluminous. As Miss Emily LAU's request was received only that morning, the Administration did not have sufficient time to collate the information requested by Miss LAU. At the Chairman's request, he undertook to provide a detailed summary of the schedule of accommodation for members' reference. DC/P further stressed that most of the facilities to be provided in the new complex were reprovisioned facilities while the new facilities had been covered in the discussion paper. He also confirmed that no gymnasium would be provided in the new complex. In this connection, members noted that the Administration had arranged a briefing on the project on 24 January 2000, but no member was able to attend.

46. On the provision of catering facilities in the PHQ complex, DC/P pointed out that this was necessary to meet the operational needs of the Police such as duties during typhoon or emergencies. The Chief Superintendent of Police (Planning and Development) (CS/P(P&D)) further explained that there would be 7800 staff working in the PHQ and about 2500 of them were operational staff. In determining the requirement for catering facilities, the Administration had conducted a survey among the police stations on Hong Kong Island and found that the average utilization rate of canteens at these stations was about 60%. The utilization of the canteens in Wanchai was even higher. Taking these factors and internal security into account, the Administration decided to provide a Chinese restaurant and a fast food shop which together could accommodate about 850 people at one time, i.e. about 10% of the total personnel working in PHQ.

47. On the Value-for-money Report no. 31 by the Director of Audit referred to by some members, the Government Property Administrator (GPA) said that the Administration had reviewed the policy on providing staff canteens in Government office buildings. The policy had now been tightened in that the Government would only provide catering facilities for certain civil servants if there was an established need. Pursuant to the revised policy, the Administration had decided to close down about 30 and retain about 80 existing staff canteens which were provided in prisons, police stations/offices, and departments such as Radio Television Hong Kong which had special operational needs. As far as the present proposal was concerned, GPA confirmed that provision of the proposed catering facilities was consistent with the revised policy.

48. Regarding queries about the use of the top floor of the new complex, DC/P confirmed that a senior officers' mess would be provided on that floor. However, he clarified that the mess was not a new facility but was a reprovisioning of the existing mess currently located at the top floor of May

House and Caine House. DC/P also informed members that currently, all disciplinary forces had their own senior officers' mess and in most cases, the facility was located at the top floor of the building concerned. He stressed that apart from providing catering services for senior police officers, the mess would also be used for receiving guests and VIPs. The availability of a decent catering facility for protocol functions and for senior officers in a large organization such as the Police Force was considered acceptable. The Director of Finance, Administration and Planning, Hong Kong Police Force (D/F(A&P)) further informed members that the mess would have a gross floor area of 486 square metres (sqm) and could accommodate about 320 people at a time.

49. On the arrangement whereby the mess would be located at the top floor of the new complex while the units and facilities accessible by the public would be located on the lower floors, CS/P(P&D) explained that this arrangement would reduce unnecessary movements of people within the building, as the staff using the mess would likely be accommodated at the upper floors of the complex, while the units and facilities directly providing services to the public would be located on the lower floors to facilitate access.

50. Mr CHEUNG Man-kwong said that since a Chinese restaurant and a fast food shop would be available in the new complex, he did not consider it justified to provide a senior officers' mess in the new complex. He also considered the explanation that the mess would cater for officers accommodated at the upper floors of the complex irrelevant as convenient movements between different floors of the complex would be facilitated by lifts.

51. Miss CHAN Yuen-han also expressed reservation on the appropriateness of providing a mess exclusively for senior officers of the Police Force as this also reflected the rank-conscious culture of the Force. In reply to her enquiry on whether the Administration had laid down any standard regarding the provision of catering facilities for disciplinary forces, GPA said that the main considerations were the number of staff involved and whether the relevant licensing conditions could be satisfied. Miss CHAN also asked if the Administration could provide a cost comparison between the auditorium and the catering facilities proposed for the new complex and similar facilities in other Government office buildings.

Admin

52. Mr James TIEN on the other hand agreed that it was acceptable to provide a restaurant for senior officers of the Police Force, bearing in mind protocol requirements, and that similar facilities were also provided in hospitals and universities for their senior staff.

53. On the justification for providing an auditorium as well as a multi-purpose hall in the new complex, DC/P and DF(A&P) advised that advanced audio visual equipment would be available at the 300-seat auditorium which would facilitate the holding of large-scale seminars including exchange

programmes with overseas police forces, internal strategic meetings and operational briefings involving various levels of staff of the Force. The Force held a number of these seminars, meetings and briefings every year and currently, these activities had to be held at the Police Training School or the Civil Service Training Institute which was not a satisfactory arrangement. As regards the proposed multi-purpose hall, DF(A&P) advised that the facility would be used mainly for holding Force community activities such as open days, exhibitions and road safety events. DC/P added that there had been an amphitheatre in May House. As regards the estimated utilization rates of the auditorium and the multi-purpose hall, DC/P said that a precise forecast in this regard had not been made. Mr CHEUNG Man-kwong considered the absence of this important information unacceptable.

54. Regarding the designated uses and construction cost of the basement floors, the Director of Architectural Services (DArchS) advised that the total construction cost for the four-level basement structure was around \$300 million. He clarified that only two and a half floors of the basement would be used for carparking and mechanised double-deck carparking would be used to minimize the basement space required. Other basement areas would be used for the armoury and other purposes. He further explained that due to security considerations and the need to reserve the first few storeys above ground to accommodate units frequently visited by the public, it would not be possible to provide the required carparking spaces at and above ground level. He also confirmed that a total of 36 lifts would be installed in the new complex and this relatively large number of lifts was needed to meet operational and security requirements.

55. Addressing Miss CHAN Yuen-han's concern that co-locating various Police units and the armoury in the same complex might render the building vulnerable to attack, DC/P assured members that security considerations had been fully taken into account in the design of the new complex. In fact, the armoury had all along been located in the PHQ and centralizing the PHQ units and the armoury would save security management resources.

56. Mr James TIEN referred to the cost breakdown and commented that the estimates of \$1,314.4 million for "building" and \$767.9 million for "building services" were relatively high when compared with those of private sector projects. He also questioned the justification for the provision of \$529.3 million for price adjustment given the deflation of general prices in recent years.

57. In response, DArchS said that the construction unit cost of the superstructure of the new complex was \$14,999 per sqm or around \$1300 per square foot at December 1998 prices, which was slightly lower than similar Government projects such as the North Point Government Offices and the Cheung Sha Wan Government Offices. As regards comparison with private sector projects, DArchS advised that the construction unit cost for office

buildings in the private sector with a two basement structure and a 30 to 40-storey structure was in the range of \$12,300 to \$15,800 per sqm in 1998. In comparison, the structure of the proposed new complex was more complicated as there were four basement levels and special security requirements to meet. Besides, the construction unit cost under the present proposal had taken into account fitting-out expenses which were usually not included in cost estimates for private sector construction projects. Furthermore, the building services for the new complex required relatively sophisticated installations, particularly those for the auditorium and the indoor firing range. Certain building services such as energy-saving air-conditioning and lighting systems would involve higher capital costs but would lead to future savings in energy consumption and maintenance. He reiterated that notwithstanding the complexity and the extensive use of advanced technologies in the design, the construction unit cost for the complex was broadly comparable to that of an average office building, or lower than that of a high quality office building.

58. In this connection, Mr James TIEN pointed out that the sophisticated building services for the new complex as described by DArchS were commonly available in modern office buildings. He maintained his view that the construction unit cost for the complex was on the high side.

59. On the provision for price adjustment, the Deputy Secretary for the Treasury explained that the constant price estimate of \$2704.5 million was drawn up based on the price level in December 1998. In order to take into account price fluctuation during the cash flow period of the project, it was the standard practice for all public works proposals to convert the constant price estimate to money-of-the-day (MOD) estimate by multiplying the estimated expenditure for each year of the cash flow period by a price adjustment factor. The price adjustment factors were drawn up having regard to the construction output deflator worked out by the Government Economist on the basis of the trend prices of labour and construction materials and the tender price indices for general construction projects and public housing projects. She further advised that the movement of labour and construction prices did not necessarily coincide with the movement of general consumer prices. For example, the wages in the construction industry had increased by 12.4% in 1998 and by a smaller percentage in 1999 despite the downward trend in consumer price indices for the same period. DArchS informed members that as a standard arrangement, provision for price fluctuation would be included in building works contracts with a contract period exceeding 21 months. The Chairman also pointed out that the MOD estimate was for budgeting purpose only. The actual expenditure of the project would depend on the outturn tender price for the construction contracts.

60. As the meeting was running out of time and some members had indicated their wish to raise further questions on this item, the Chairman suggested that deliberation on this item should continue at the next meeting.

Clerk Members and the Administration agreed. The Chairman then invited questions from members and advised that if necessary, members should state their questions in writing for onward transmission to the Administration for preparation of replies before the next meeting. Some members raised the following concerns/questions at the meeting -

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- (a) Mr LEE Wing-tat enquired about the number of officers entitled to use the senior officers' mess, and the justification for locating an indoor firing range in the proposed new complex. He opined that the availability of a senior officers' mess in the past did not necessarily justify the provision of the same facility at present, and the relevant policy should be critically reviewed in the light of present circumstances.
- (b) Mr James TO requested the Administration to elaborate on the various "shortfall items", in particular the proposed barber shop, set out in the information sheets tabled at the meeting. Referring to the net operational floor area of 3,972 sqm designated for the "Security Wing", he questioned whether the space provision was excessive in relation to the staff establishment of the unit.

*(Post meeting note: At the request of the Administration and with the concurrence of the Chairman, resumption of the discussion on this item has been deferred to a later date instead of the next meeting on 16 February 2000 to enable the Administration to compile the necessary information to address members' concerns.)*

61. Due to insufficient time, the Chairman said that discussion of the next item PWSC(1999-2000)91 on the agenda would also be carried forward to the next meeting. He also reminded members that the next meeting on 16 February 2000 would start at 8:30 am, instead of at 9:00 am, to accommodate the additional items.

*(Post-meeting note: The Administration has subsequently proposed and the Chairman has agreed that the next meeting on 16 February 2000 will start at 10:45 am as fewer items than originally scheduled will be considered at the meeting.)*

62. The meeting ended at 1:05 pm.