

立法會
Legislative Council

LC Paper No. FC136/02-03
(These minutes have been
seen by the Administration)

Ref : CB1/F/1/2

Finance Committee of the Legislative Council

**Minutes of the 11th meeting
held at the Legislative Council Chamber
on Friday, 16 May 2003, at 2:30 pm**

Members present:

Dr Hon Philip WONG Yu-hong (Chairman)
Hon NG Leung-sing, JP (Deputy Chairman)
Hon Kenneth TING Woo-shou, JP
Hon James TIEN Pei-chun, GBS, JP
Dr Hon David CHU Yu-lin, JP
Hon Cyd HO Sau-lan
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, JP
Hon LEE Cheuk-yan
Hon Martin LEE Chu-ming, SC, JP
Hon Eric LI Ka-cheung, JP
Hon Fred LI Wah-ming, JP
Dr Hon LUI Ming-wah, JP
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon James TO Kun-sun
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching, JP
Hon CHAN Kwok-keung
Hon CHAN Yuen-han, JP
Hon Bernard CHAN, JP
Hon CHAN Kam-lam, JP
Hon LEUNG Yiu-chung
Hon SIN Chung-kai
Hon Andrew WONG Wang-fat, JP
Hon WONG Yung-kan
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Howard YOUNG, JP

Dr Hon YEUNG Sum
Hon YEUNG Yiu-chung, BBS
Hon LAU Kong-wah
Hon LAU Wong-fat, GBS, JP
Hon Miriam LAU Kin-yee, JP
Hon Ambrose LAU Hon-chuen, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon CHOY So-yuk
Hon Andrew CHENG Kar-foo
Hon SZETO Wah
Hon Timothy FOK Tsun-ting, SBS, JP
Dr Hon LAW Chi-kwong, JP
Hon TAM Yiu-chung, GBS, JP
Dr Hon TANG Siu-tong, JP
Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, JP
Hon Henry WU King-cheong, BBS, JP
Hon Michael MAK Kwok-fung
Hon Albert CHAN Wai-yip
Hon LEUNG Fu-wah, MH, JP
Hon WONG Sing-chi
Hon Frederick FUNG Kin-kee
Hon IP Kwok-him, JP
Hon LAU Ping-cheung
Hon Audrey EU Yuet-mee, SC, JP
Hon MA Fung-kwok, JP

Members absent:

Dr Hon David LI Kwok-po, GBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon LAU Chin-shek, JP
Hon Tommy CHEUNG Yu-yan, JP
Dr Hon LO Wing-lok

Public officers attending:

Mr Frederick MA Si-hang, JP	Secretary for Financial Services and the Treasury
Mr Alan LAI Nin, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Mr Stanley YING, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr K K LAM	Principal Executive Officer (General), Finance Bureau
Mrs Jennie CHOK	Deputy Secretary for Security

Mr David WONG	Principal Assistant Secretary for Security
Mr TSAO Tak-kiang, JP	Director of Civil Engineering
Mr MOK Yick-fan, JP	Assistant Director of Civil Engineering
Mr KWOK Leung-ming, CSDSM	Deputy Commissioner of Correctional Services
Mr CHAN Kong-sang, CSDSM	Assistant Commissioner of Correctional Services
Mr Simon HUI	Principal Environmental Protection Officer of Environmental Protection Department
Mr Augustine NG, JP	Assistant Director of Planning
Mr William C G KO, JP	Director of Water Supplies
Ms Lolly CHIU, JP	Deputy Secretary for Home Affairs
Mr K K LEUNG	Chief Property Services Manager Architectural Services Department
Mr K P LEUNG	Senior Property Services Manager Architectural Services Department
Mr LEUNG Mang-chiu, JP	Assistant Director of Water Supplies
Mr Raistlin LAU	Principal Assistant Secretary for Transport and Works
Mr Raymond CHEUNG, JP	Director of Drainage Services
Mr MAK Kai-wai	Senior Engineer of Drainage Services Department
Miss Elizabeth TSE, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 3
Mrs Stella HUNG, JP	Director of Government Supplies
Mr David TSUI, JP	Government Printer
Mr Peter WALKER	Government Land Transport Administrator
Ms Carly FUNG	Senior Treasury Accountant of Government Supplies Department
Mr CHEUNG Kin-chung, JP	Permanent Secretary for Economic Development and Labour (Labour)
Mr TSANG Kin-woo, JP	Assistant Commissioner for Labour
Mrs DO PANG Wai-yee	Principal Assistant Secretary for Economic Development and Labour (Labour)
Mrs Carrie LAM, JP	Director of Social Welfare
Mr TONG Chi-keung, Donald	Deputy Director of Food and Environmental Hygiene

Clerk in attendance:

Ms Pauline NG	Assistant Secretary General 1
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Staff in attendance:

Miss Polly YEUNG	Chief Assistant Secretary (1)3
Ms Sarah YUEN	Senior Assistant Secretary (1)6
Ms Caris CHAN	Senior Legislative Assistant 1
Mr Frankie WOO	Legislative Assistant 2

Action

Item No. 1 - FCR(2003-04)7

**RECOMMENDATIONS OF THE PUBLIC WORKS SUBCOMMITTEE
MADE ON 26 FEBRUARY 2003, 9 APRIL 2003 AND 23 APRIL 2003**

At members' request to consider and vote on PWSC(2002-03)95, PWSC(2003-04)4, PWSC(2003-04)11 and PWSC(2003-04)6 separately, the Chairman put FCR(2003-04)7, except the aforesaid items, to the vote. Members approved the proposal.

**Head 705 – CIVIL ENGINEERING
Law and Order - Correctional Services**

PWSC(2002-03)95 72LC Prison Development Plan at Hei Ling Chau – feasibility study and preliminary site investigation for land formation and infrastructure works

2. The Chairman informed members that submissions received from a number of organizations/individuals on the proposed project, as well as the Administration's written response to deputations' views dated 12 May 2003, had been issued to members for reference. Members noted that the latest submissions and the Administration's response were tabled at the meeting (subsequently issued to members vide LC Paper No. FC 112/02-03 on 19 May 2003).

3. Before inviting questions from members, the Chairman reminded the Administration to provide members with the hardcopies of the presentation material if explanation with the aid of powerpoint was required.

4. Mr Abraham SHEK questioned the justification for the proposed construction of the super-prison at Hei Ling Chau amidst the current economic climate and fiscal deficit instead of using the proposed funding for more worthwhile purposes. In response, the Deputy Secretary for Security (DS(S)) referred to the Administration's latest written response dated 16 May 2003 tabled at the meeting and highlighted the following points:

- (a) The facilities at most of the existing penal institutions in Hong Kong were over-crowded and not up to standard while improvements by way of in-situ conversions and extensions were constrained by the physical conditions of the old buildings and the surrounding environment.
- (b) In 2002, the occupancy rate at penal institutions was about 111%. Overcrowding was most serious in the maximum security prisons, remand facilities and female prisons, which were operating at an average occupancy rate of 131%, 144% and 170% respectively. The penal population was expected to continue to grow and might reach 15 000 by 2024, resulting in a shortfall of 3 800 penal places by 2024. Even in 2015, an additional 2 600 penal places was needed.
- (c) On the choice between building five new prisons at different locations and co-locating them at one site, the Administration had decided on the latter option which could achieve, inter alia, economy of scale, thus saving recurrent manpower cost in the region of \$125 million a year. At the same time, eight existing penal sites could be released for redevelopment.

5. Mr Abraham SHEK maintained his reservation that it might not be the right time now to proceed with the project, given that many other sectors of the community were facing considerable hardship. He said that he could not support the present proposal.

6. Mr LEE Cheuk-yan considered the proposed super-prison unacceptable due to its high capital cost which could not be recouped in the near future despite the estimated savings in recurrent cost. Noting the large number of submissions raising objection, Mr LEE queried the suitability of Hei Ling Chau as the proposed site. He suggested that the Administration should withdraw the paper and revert to the Finance Committee (FC) again after more thorough consultation.

7. Ms Emily LAU said that Members of the Frontier objected to the present proposal. Noting the strong opposition raised by deputations and the lack of a consensus on whether a super-prison should be built and even if yes, its desirable location, Ms LAU urged the Administration to withdraw the paper and undertake more extensive public consultation.

8. In response, DS(S) confirmed that the latest estimated capital cost for the proposed prison complex was \$12 billion, instead of \$16 billion, to be paid over a period of some 10 years. It would be even more costly to build separate standalone prisons. She also advised that the financial consideration of a pay-back period might not be relevant in the present case as the provision of penal facilities was a social investment, not a commercial operation. Moreover, the

present proposal was to seek members' approval for conducting a feasibility study and associated site investigation at an estimated cost of \$46.7 million. Further funding for implementing the proposed project would still require the approval of FC.

9. On the question of public consultation, DS(S) said that at this stage, detailed information such as the extent of reclamation and the mode of the transport link was not yet available for conducting a meaningful consultation. Nevertheless, she confirmed that further consultation would be carried out in the early stage of the feasibility study. While noting the objections received so far, DS(S) informed members that a letter had been received from the Chairman of Peng Chau Rural Committee conveying the support of 22 community organizations, as well as 986 signatures of Peng Chau residents in support of the project.

10. Referring to the Administration's consultation with the Islands District Council and the Peng Chau/Discovery Bay Areas Committee in August 2002, Mr Frederick FUNG Kin-kee said that as he understood, disagreement had been raised to the proposed prison development. Mr FUNG stated that he did not subscribe to the idea of a super-prison accommodating a large penal population. As the estimated shortfall in penal places in the near future was only about 2 000, he queried the need to provide for a penal institution providing some 7 000 places and remarked that the Administration might have in mind the economic gains derived from redevelopment of some existing penal sites. Mr FUNG reiterated that he could not support the present proposal.

11. In this connection, DS(S) and the Deputy Commissioner of Correctional Services (DC of CS) explained that the proposed facility at Hei Ling Chau would comprise clusters of prisons, each accommodating some 500 to 800 inmates. Each of the prisons within the complex would be segregated and separately managed while sharing some common facilities such as kitchens and visitors rooms. The question of the need to manage a large penal population of over 7 000 in one group would not arise.

12. With the aid of powerpoint presentation (some of the hardcopies issued to members after the meeting vide FC112/02-03 on 19 May 2003), the Assistant Director of Planning (AD of Plan) briefed members on the considerations in site selection. The proposed prison complex would require a sizable site of some 80 hectares and the Administration had undertaken a territorial location search based on a set of objective criteria including, inter alia, the need to avoid villages, existing and proposed country parks, as well as a preference for level land. AD of Plan confirmed that the required extent of level land could not be found in the urban areas in Hong Kong which were either developed or committed for specific development purposes.

13. As to why the Administration had not selected a site in North New Territories (NNT) or North West New Territories (NWNT) where level land was available, AD of Plan illustrated the difficulties of this option by referring to the case of the Hung Shui Kiu New Development Area (HSKNDA). Of some 451.2 hectares of land in HSKNDA, some 43.4% had to be reserved for retention of existing village settlements and other uses such as rural housing, village compensation areas and ecological compensatory areas. The developable areas consisted mainly of intervening rural land between villages. However, such a development model was not feasible for the proposed prison development which required 80 hectares of land to enable a coherent development to achieve operational efficiency and for security reasons. It should also be noted that to yield a contiguous piece of land of 80 hectares in size, it would possibly be necessary to resume some 150 to 160 hectares of land in which 40% to 50% would possibly be needed for village resite. This would no doubt cause a significant social impact. As regards the 2 800 hectares of land in NNT, most of the area was made up of wetlands with ecological value.

14. AD of Plan confirmed that some sites consisting of level land were available in the Frontier Closed Area. The "Loop" at the Shenzhen River (the River Loop) with an area of some 100 hectares was close to the Shenzhen Futian commercial area. Its gateway location made the site a unique one. As regards the eastern part of the boundary area in the region of Heung Yuen Wai and Lin Ma Hang consisting of some 180 hectares of land, AD of Plan informed members that the "Inception Report of the Hong Kong 2030 : Planning Vision and Strategy" Study (the 2030 Study) suggested that the general locality could have potential over the long term for a new road crossing to connect Hong Kong with the eastern Guangdong Province. The third locality was Kong Nga Po where the prison was also proposed to be located. As road access to the site was required, the Administration had instead considered the option of outlying islands, i.e. Tung Lung Chau and Hei Ling Chau which were close to Tseung Kwan O and Lantau respectively. Tung Lung Chau was found unsuitable as it was a proposed country park with an important site of archeological interest.

15. Summing up, AD of Plan advised that after extensive search, two possible site options at Hei Ling Chau and Kong Nga Po had been identified for further consideration. Pursuant to the consultation carried out in mid 2002 in connection with the 2030 Study, it was considered that Kong Nga Po, partly falling within the Frontier Closed Area, might have great potential for long-term development into other uses which could best take advantage of the strategic location of the area. Hei Ling Chau was the preferred option as some correctional facilities were already in operation on the island which was in proximity to Lantau Island. The Administration was aware of the presence of ecologically valuable habitats and had therefore proposed to provide some of the required land by way of reclamation so as not to disrupt the natural habitats on the island proper.

16. Referring to the less environmentally controversial option of Kong Nga Po which had been ruled out in order not to pre-empt the possible long-term development of the Frontier Closed Area, Ms Emily LAU expressed concern about how cross-boundary planning was being conducted, having regard that the Mainland would build a container terminal in the vicinity of the scenic Kat O and Yan Chau Tong Marine Park.

17. In reply, AD of Plan advised that while cross-boundary planning was not undertaken in collaboration with the Shenzhen authorities, views collected during the consultation on the 2030 Study had clearly indicated a need to make the best use of strategic sites located in the Frontier Closed Area. For instance, a preliminary idea for a trade expo in the River Loop area had been suggested and was being studied. In this connection, Ms Emily LAU reiterated her objection that environmental concerns had been compromised in the face of commercial and economic interests.

18. Mr Frederick FUNG disagreed with the Administration's objective at the outset to identify a 80-hectare site to co-locate prisons accommodating a penal population of over 7 000. He asked whether the feasibility study would also look into the option of building two to three prisons instead to cope with the forecast increase of some 2 600 inmates. In response, DS(S) stressed the economy of scale which could be achieved by a centralized penal facility. She recapped that some of the existing penal institutions could hardly be upgraded due to inherent physical constraints, not to mention the difficulties in relocating the inmates if some of the existing institutions were to be refurbished.

19. Mr Albert CHAN considered the construction of a super-prison at Hei Ling Chau a major planning blunder causing irrevocable damage to the ecological environment. He said that he would object to the present proposal since he did not agree with the decision to build a super-prison at Hei Ling Chau.

20. Mr LAU Ping-cheung was not convinced that the Administration had made adequate efforts to explore other options before concluding that building a super prison at Hei Ling Chau was the best option. He also opined that the existing island of Hei Ling Chau could accommodate the proposed prison complex without reclamation. He therefore urged the Administration to explore the viability of locating the prison complex on the island proper as far as practicable notwithstanding the hilly terrain there, so that the extent of reclamation and hence the impact on marine ecology in the surrounding waters could be minimized. In response, the Director of Civil Engineering (DCE) said that due to the presence of many valuable species of animals and vegetation on the hill, site formation works there would cause greater damage to the ecology of the island than by way of reclamation.

21. Dr LAW Chi-kwong said that Members of the Democratic Party (DP) were aware of the overcrowding situation at existing penal institutions and

agreed with the need for new penal facilities. Nevertheless, on the proposed location at Hei Ling Chau, Dr LAW opined that the proposed development appeared to share similar characteristics with the controversial proposal of the Lok Ma Chau Spur Line across the wetland in Long Valley where the project in question ultimately failed to meet the requirements under the Environmental Impact Assessment (EIA) Ordinance. If this was the case for the proposed super-prison, the feasibility study might ultimately become abortive. Members of DP would therefore abstain on the present proposal.

22. At Mr LAU Kong-wah's request to comment on the environmental acceptability of the proposed prison project in the light of the concerns raised by green groups, the Principal Environmental Protection Officer of EPD explained that the proposed prison development was a Designated Project under the EIA Ordinance. As such, it had to follow the statutory EIA process and he could not prejudge the future findings of the proposed EIA study. He would, however, recap the point previously made by DEP at the PWSC meeting on 26 February 2003 that according to the preliminary assessment undertaken by the Agriculture, Fisheries and Conservation Department, the proposal probably would not have insurmountable problems.

23. Noting that ferry service would mainly be used by staff travelling to and from work, as well as for transporting remands between the proposed prison complex and courts in the urban area, Mr Albert CHAN questioned the cost-effectiveness of providing a fixed crossing between Hei Ling Chau and Lantau Island, as well as the security risks in transporting remands via sea transport. In reply, DC of CS advised that staff and remands would mainly use the sea route. However, to cater for emergency and exceptional operational needs, the proposed fixed crossing was necessary for providing a connection between the proposed development and Lantau Island.

24. In reply to Dr Raymond HO, DC of CS supplemented that on a daily basis, the fixed crossing provided an alternative mode of access to sea transport. During inclement weather when marine transport was affected, it would provide a secured access to the proposed prison development to ensure normal or reduced-scale operation.

25. Mr Eric LI expressed grave reservation on the Administration's proposal to engage consultants to carry out the feasibility study at an estimated cost of \$46.7 million instead of deploying existing in-house staff to undertake the work, such as the proposed EIA which would cost about \$6.2 million. He did not subscribe to the Administration's explanation that it had no spare capacity among existing staff and that it would be more efficient and appropriate for consultants to undertake the multi-disciplinary study involved in the proposed feasibility study.

26. On the need to engage consultants for the feasibility study, DCE highlighted the following points -

- (a) The study covered many inter-related aspects under the jurisdiction of more than 10 departments. It was therefore more efficient for consultants to undertake the multi-disciplinary study.
- (b) As an overall policy, the Government was already downsizing departments and contracting out jobs. Hence no single department would have the spare capacity to take up the necessary additional duties.
- (c) There was no designated department for the conduct of specialized jobs such as EIA.
- (d) As the tasks under the study would be carried out in an intermittent manner, it would not be cost-effective to undertake the job in-house because the Government did not have the same degree of flexibility in manpower deployment as that of private consultants.

27. Miss Margaret NG objected to the present proposal and shared some members' query about the justification for a super-prison at Hei Ling Chau. On the need to provide for additional penal places, Miss NG recapped previous discussion at the Panel on Security that the shortfall in penal places could be resolved if mutually agreed arrangements could be implemented early for transferring Mainland prisoners (mainly illegal immigrants) currently serving their sentence in Hong Kong back to the Mainland. While it might be the Administration's original intention to accommodate the penal population in a prison complex, Miss NG remarked that the Administration should critically re-examine its plan given the difficulty in locating a 80-hectare site intact, instead of insisting time and again to pursue the option of a super-prison. She also recalled concerns expressed at the Panel on Security about the appropriateness of accommodating both juvenile and adult inmates in the same prison complex, as well as the adequacy of proposed security measures.

28. In this regard, Mr LAU Kong-wah pointed out that the Panel on Security had in fact discussed the proposed prison development on several occasions. To address members' concerns about possible security risks arising from the presence of a large number of inmates, the scale of co-location had already been reduced from full-scale provision of 15 000 penal places to a mid-sized complex which would provide 7 220 places. As the choice of site was controversial, he agreed that a feasibility study should be conducted. Moreover, as undertaken by the Administration at one of the Panel meetings, the study should also cover the security arrangements for the super-prison.

29. Responding to concerns about security arrangements for the proposed prison complex, DS(S) recapped the various security measures which had been elaborated by the Administration on various occasions, including in its reply to

Mr Klaus KRUGER's letter dated 5 May 2003 (tabled at the meeting and subsequently issued vide LC Paper No. FC112/02-03(01) on 17 May 2003). These measures mainly consisted of separate penal management, physical separation, careful and tailored structural design to prevent spread of mass behaviours, strategic location of observation towers, use of advanced technology, and the efficient and flexible deployment of Correctional Services Department staff.

30. Dr TANG Siu-tong referred to concerns raised at meetings of the Panel on Planning, Lands and Works about the risks of the presence of a large number of inmates, as well as the choice of site. Noting that the environmental impacts of the prison complex might not be fully addressed, he opined that the Administration might explore the option of building separate, stand-alone prisons instead.

31. Mr TAM Yiu-chung expressed concern about the opposition from residents of Discovery Bay and Peng Chau to the location of the proposed prison complex in Hei Ling Chau. He urged the Administration to ensure that at the planning and design stages of the prison development, residents' concerns would be adequately addressed. He also urged the Administration to take note of the expectation of the residents of Lantau, in particular those of Silver Mine Bay, of possible improvements to the local economy and to Lantau's transport links with the urban area. He said that although Members of the Democratic Alliance for Betterment of Hong Kong would support the proposed feasibility study, they would need to closely monitor the planning and design of the prison development before deciding whether to support other related funding proposals.

32. While appreciating the need to improve existing penal facilities, Dr YEUNG Sum said that Members of DP were still concerned about the various environmental impacts of the proposed prison complex, and would thus urge the Chairman to request the Administration to withdraw the paper so as to enable the relevant Panels to further examine various concerns about the proposed prison.

33. Mrs Selina CHOW recalled that the subject of a super-prison had been discussed at length at the Panel on Security and said that Members of the Liberal Party accepted the proposed construction of a super-prison in the absence of a more viable arrangement. Mrs CHOW considered that safeguards were available under the present proposal since the potential environmental impact of the proposed development had to be assessed in detail through a comprehensive EIA which was to be covered by the proposed feasibility study. She agreed that the Administration should commence a feasibility study on the proposed development, to be followed by detailed design in which other implementation details of the project should be worked out.

34. Mr Albert CHAN enquired whether the findings of the feasibility study would be put up for further consultation prior to the issuance of the tender document, and whether alternative sites would be looked into during the study. In response, DCE advised that the proposed feasibility study would be carried out in two stages. The first stage would last for eight to 10 months during which a sustainability assessment of the different options for land formation and infrastructure of the proposed development would be conducted. This would cover the traffic, environmental and other impacts of the proposed development. The findings of the first stage study would be put up for consultation with District Councils, green groups, community organizations and the Advisory Council on the Environment (ACE). DCE further confirmed that the second stage of the feasibility study would commence only if the project proposal was considered feasible based on the findings of the first stage study. As such, it would be stipulated in the contract with the prospective consultant that the second stage study could only proceed with the written permission of the Government. The contract would also contain a break clause whereby the consultant could not file a claim against the Government should the latter decide against proceeding with the second stage of the proposed feasibility study.

35. In this connection, Dr Raymond HO agreed that the feasibility study should be carried out in two stages. Stage one should only involve a preliminary study, based on which an EIA and further consultation could be undertaken. Mr Eric LI and Dr TANG Siu-tong also shared similar views. Mrs Selina CHOW agreed that it would be more appropriate for the Administration to proceed with the proposed feasibility study in stages and to involve the Environmental Protection Department early.

36. Dr Raymond HO further suggested that the \$46.7 million in question should be approved in two stages instead of in one go so as to allow greater flexibility in implementing the feasibility study. In response, DCE explained that it would be desirable for the proposed funding to be approved in its entirety. If the feasibility of the selected option was confirmed in the stage one study, the Administration could proceed to stage two for detailed assessment and preliminary design for the selected option. However, if funding for the stage two study had not been approved, it would take the Administration three to four months to revert to the Public Works Subcommittee/FC for separate approval. In case the consultancy for the stage two study was awarded to a new consultant, the latter might require another few months to review its predecessor's work. DS(S) supplemented that awarding separate contracts for stage one and stage two of the feasibility study would likely be more costly. The Administration re-assured members that there would be provisions in the consultancy agreement which separated the consultancy fees for the two stages with the stipulation that the consultants would only be required to proceed with stage two study upon the Government's instruction. In this regards, Dr Raymond HO commented that even under the Administration's proposal, the consultants for the feasibility study and the

subsequent detailed design might not necessarily be the same one.

37. Mr James TIEN expressed support for Dr Raymond HO's suggestion to approve the required funding in two stages.

38. In reply to the Chairman, the Deputy Secretary for Financial Services and the Treasury (Treasury) said the Administration would not withdraw the paper. The Chairman adjourned the meeting for five minutes to enable the Administration to consider members' views.

Admin

39. When the meeting resumed, DS(S) proposed to seek members' approval for the funding of \$46.7 million in its entirety for conducting the feasibility study in two stages. The Administration undertook to report the findings of the feasibility study to FC upon completion of stage one at an estimated cost of \$7 million; and to seek FC's approval before proceeding with stage two of the study.

40. The Chairman put PWSC(2002-03)95, as amended by the Administration at the meeting (paragraph 39 above), to the vote. 23 members voted for the item, 8 voted against and 12 members abstained. The individual votes were as follows:

For :

Mr Kenneth TING Woo-shou
Dr David CHU Yu-lin
Mr NG Leung-sing
Mr HUI Cheung-ching
Mr CHAN Kam-lam
Mr WONG Yung-kan
Mr Howard YOUNG
Mr LAU Wong-fat
Mr Ambrose LAU Hon-chuen
Mr TAM Yiu-chung
Ms LI Fung-ying
Mr IP Kwok-him
(23 members)

Mr James TIEN Pei-chun
Ir Dr Raymond HO Chung-tai
Mrs Selina CHOW LIANG Shuk-ye
Mr CHAN Kwok-keung
Mr Andrew WONG Wang-fat
Mr Jasper TSANG Yok-sing
Mr LAU Kong-wah
Ms Miriam LAU Kin-ye
Mr Timothy FOK Tsun-ting
Dr TANG Siu-tong
Mr Michael MAK Kwok-fung

Against :

Ms Cyd HO Sau-lan
Miss Margaret NG
Ms Emily LAU Wai-hing
Mr Albert CHAN Wai-yip
(8 members)

Mr LEE Cheuk-yan
Mr LEUNG Yiu-chung
Mr Abraham SHEK Lai-him
Mr Frederick FUNG Kin-kee

Abstention :

Mr Albert HO Chun-yan
Mr Fred LI Wah-ming

Mr Martin LEE Chu-ming
Mr James TO Kun-sun

Mr CHEUNG Man-kwong
Dr YEUNG Sum
Mr Henry WU King-cheong
Mr LAU Ping-cheung
(12 members)

Mr SIN Chung-kai
Mr SZETO Wah
Mr WONG Sing-chi
Ms Audrey EU Yuet-mee

41. The Committee approved the item.

Head 709 – WATERWORKS

Water Supplies - Combined fresh/salt water supply

**PWSC(2003-04)4 90WC Replacement and rehabilitation of
water mains, stage 1 phase 1**

42. The Chairman put the item to vote. The Committee approved the item.

Head 704 – DRAINAGE

Environmental Protection - Sewerage and sewage treatment

**PWSC(2003-04)11 208DS Outlying Islands sewerage, stage 1
phase 1 part 1 – Ngong Ping sewerage,
sewage treatment and disposal**

43. Miss CHOY So-yuk expressed support for the paper. She however referred to the Conservation Association (CA)'s letter dated 16 May 2003 (LC Paper No. FC109/02-03), and sought to ascertain if there was an over-design of capacity for the proposed Ngong Ping Sewage Treatment Works (NPSTW). In response, the Director of Drainage Services (DDS) clarified that the design capacity of the proposed NPSTW was 2 900 m³ per day instead of 5 100 m³ per day. Moreover, the Administration had only assumed an average of 30 litres per tourist per day in their design instead of 107 litres per tourist per day as claimed in CA's letter. DDS said that there was no question of an over-design of two times or more of the actual capacity required.

44. Miss CHOY So-yuk further opined that the number of visitors to Ngong Ping and the increase in the quantity of sewage generated as a result was yet to be confirmed. Moreover, it would take years for the number of visitors to reach the design maximum. She therefore urged the Administration to dovetail the building of the proposed NPSTW to the anticipated growth in the number of visitors, and to critically re-examine whether it was necessary to commission the full handling capacity of the proposed NPSTW at the initial stage.

45. In response, DDS explained that to ensure the nearby sensitive water gathering ground for Shek Pik Reservoir would not be contaminated even in the event of a power failure or other incidents that led to an emergency shut-down, the treatment plant included tanks which could hold three day's sewage.

In addition, a modular design had been adopted for the proposed NPSTW such that upon commissioning, only three treatment tanks out of a total of four would be installed with equipment.

46. Miss CHOY So-yuk referred to CA's query that the estimated capital expenditure for the proposed NPSTW was high, being about 10 times the cost of building a similar plant in the Mainland. She urged the Administration to examine the technology adopted for building the Mainland plant and account for the cost differential. In response, DDS explained that the higher capital expenditure for the proposed NPSTW was not the result of the deployment of a less cost-effective technology. The higher cost was instead attributed to the following factors -

- (a) As the proposed NPSTW would be located on the top of a hill, higher cost would be incurred for transporting materials uphill;
- (b) In the absence of any economy of scale, sewerage treatment plants of a smaller scale such as the proposed NPSTW would inevitably incur higher unit cost as compared with large-scale plants having the same treatment level;
- (c) Owing to the need to minimize visual impact on Ngong Ping, which was a tourist spot, many parts of the proposed NPSTW had to be placed underground. Such design and other aesthetic architectural features would incur higher construction cost; and
- (d) There was a need to lay a long twin effluent export pipeline to convey and discharge the unused effluent from the proposed NPSTW into Tung Wan .

47. The Chairman put the item to vote. The Committee approved the item.

Head 708 – CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND EQUIPMENT

Subventions - Miscellaneous

PWSC(2003-04)6

5QJ

Renovation of the Wu Kwai Sha Youth Village of YMCA, Ma On Shan

48. Mr LAU Kong-wah enquired if the Administration had acceded to the request from residents of Villa Athena, Wu Kwai Sha New Village, Cheung Keng Village, etc to set up dust-level monitoring points and to report on the results regularly. In response, the Chief Property Services Manager, Architectural Services Department (CPSM/ASD) said that the relevant asbestos removal proposal would list the locations of all dust-level monitoring points, and the list would be issued to residents' representatives concerned. Regarding the report on dust-level, CPSM/ASD advised that apart from posting

at the entrance of the works site periodic reports on dust levels within the site and at the monitoring points, the reports would also be sent to relevant residents' associations for their information by fax or by email at their request.

49. Mr Kenneth TING was concerned about the cost-effectiveness of the proposed asbestos removal works. He doubted whether as an interim measure, it would be value for money to carry out the proposed re-roofing works at an estimated average cost of over \$0.5 million per residential cottage. As he understood, the cost of demolishing all cottages and rebuilding new structures for the camp would only be slightly higher than that for the re-roofing works. He therefore urged the Administration to consider an alternative proposal of installing fibre glass sheets over the asbestos roof. This proposal had the support of Mr LAU Ping-cheung who reckoned that it could prolong the use of the camp for 20 years at a cost of just around \$60,000 per cottage. In response, CPSM/ASD said that to prevent asbestos fibres from falling off, if temporary protective coverings were to be installed instead, they would have to be installed both above and below the asbestos roof. It would also be necessary to remove the false ceiling tiles and vacate the premises. The work sequence and time involved would not be much shorter than the proposed re-roofing works.

50. The Chairman put the item to vote. The Committee approved the item.

Item No. 2 - FCR(2003-04)8

NEW HEAD "GOVERNMENT LOGISTICS DEPARTMENT"
HEAD 50 – GOVERNMENT LAND TRANSPORT AGENCY
HEAD 58 – GOVERNMENT SUPPLIES DEPARTMENT
HEAD 130 – PRINTING DEPARTMENT

51. The Committee approved the proposal.

Item No. 4 - FCR(2003-04)10

HEAD 90 – LABOUR DEPARTMENT

- ◆ **Subhead 700 General other non-recurrent**

New item “Skills Enhancement Project”

New item “Incentive allowance for local domestic helpers”

HEAD 170 – SOCIAL WELFARE DEPARTMENT

- ◆ **Subhead 700 General other non-recurrent**

New item “Special cleansing and minor repair/maintenance service for the elderly and the needy”

HEAD 49 – FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT

- ◆ **Subhead 700 General other non-recurrent**

New item “Special improvement in environmental hygiene”

52. Members noted that this proposal had been discussed at the Panel on Manpower on 6 May 2003.

53. In recognition of the need to provide timely employment relief measures in the wake of the outbreak of Severe Acute Respiratory Syndrome, members agreed to consider this item first.

54. Mr TAM Yiu-chung declared interest as the Chairman of the Employees Retraining Board.

55. The Committee approved the proposal.

56. There being insufficient time, the Chairman directed that the remaining item on the agenda, namely FCR(2003-04)9, be carried over to an additional meeting to be scheduled for 23 May 2003.

(Post-meeting note: With the concurrence of the Chairman, the item was subsequently carried over to the next regular meeting on 30 May 2003.)

57. The Committee was adjourned at 4:35 pm.