

立法會
Legislative Council

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Finance Committee of the Legislative Council

**Minutes of the 18th meeting
held at the Legislative Council Chamber
on Friday, 18 July 2003, at 4:30 pm**

Members present:

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 Martin LEE Chu-ming, SC, JP
Dr Hon Eric LI Ka-cheung, GBS, JP
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP
Hon James TO Kun-sun
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching, JP
Hon CHAN Kwok-keung, JP
Hon CHAN Yuen-han, JP
Hon CHAN Kam-lam, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, 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 YEUNG Yiu-chung, BBS
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 Tommy CHEUNG Yu-yan, JP
Hon Michael MAK Kwok-fung
Hon Albert CHAN Wai-yip
Hon LEUNG Fu-wah, MH, JP
Hon WONG Sing-chi
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 Philip WONG Yu-hong, GBS (Chairman)
Hon LEE Cheuk-yan
Dr Hon David LI Kwok-po, GBS, JP
Hon Fred LI Wah-ming, JP
Dr Hon LUI Ming-wah, JP
Hon Bernard CHAN, JP
Hon Howard YOUNG, SBS, JP
Dr Hon YEUNG Sum
Hon LAU Chin-shek, JP
Hon LAU Kong-wah, JP
Hon LAU Wong-fat, GBS, JP
Dr Hon LO Wing-lok, JP
Hon Frederick FUNG Kin-kee

Public officers attending:

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
Mr Alan CHU	Acting Deputy Secretary for Security
Ms Ernestina WONG	Principal Assistant Secretary for the Environment, Transport and Works (Transport)
Mr C H YUE, JP	Director of Architectural Services
Mr WAI Chuen	Commander (Border Division) of Immigration Department
Mr NG Chee-kin	Deputy Regional Commander (NT North) of Hong Kong Police Force
Mr CHAN Hon-kit	Head of Control Point Command of Customs and Excise Department
Mr Tony SO Yam-tat	Chief Engineer of Transport Department
Ms Lolly CHIU, JP	Deputy Secretary for Home Affairs
Mrs Lorán MAO	Assistant Director of Leisure and Cultural Services
Mr Michael MA	District Planning Officer of Planning Department
Miss Betty HO	Acting Principal Assistant Secretary for Housing, Planning and Lands (Planning and Lands)
Mr H K WONG, JP	Director of Territory Development
Mr David CHEUNG Hing-wan	Acting Project Manager of Territory Development Department
Mr W S CHAN, JP	Deputy Secretary for the Environment, Transport and Works (Works)
Mr Andrew HUI	Acting Chief Assistant Secretary for the Environment, Transport and Works (Works)
Miss Erica NG	Principal Assistant Secretary for Financial Services and the Treasury (Treasury)
Mrs Mimi BROWN, JP	Assistant Commissioner of Rating and Valuation
Mr Alan SIU	Deputy Director of Leisure and Cultural Services
Mr Wells HO	Chief Leisure Manager of Leisure and Cultural Services
Miss Denise YUE, GBS, JP	Permanent Secretary for Commerce, Industry and Technology (Commerce and Industry)
Mr Kevin HO Chi-ming, JP	Director-General of Trade and Industry
Mr Philip YUNG	Deputy Director-General of Trade and Industry
Mrs Carrie YAU, JP	Permanent Secretary for Health, Welfare and Food
Mr Thomas YIU, JP	Deputy Secretary for Health, Welfare and Food (Health)

Miss Joanna CHOI	Principal Assistant Secretary for Health, Welfare and Food (Health)
Dr KO Wing-man	Director (Professional Services and Public Affairs) of Hospital Authority
Dr P Y LAM, JP	Deputy Director of Health
Dr S V LO	Head of Research Office of Health, Welfare and Food Bureau
Dr Sarah CHOI	Principal Medical and Health Officer (Research Office) of Health, Welfare and Food Bureau

Clerk in attendance:

Ms Pauline NG	Assistant Secretary General 1
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Staff in attendance:

Miss Becky YU	Chief Assistant Secretary (1)1
Mrs Mary TANG	Senior Assistant Secretary (1)2
Ms Caris CHAN	Senior Legislative Assistant 1
Mr Frankie WOO	Legislative Assistant 2

Action

As Dr Philip WONG, Chairman, was away from Hong Kong, Mr NG Leung-sing, Deputy Chairman, took the chair.

Item No. 1 - FCR(2003-04)36

**RECOMMENDATIONS OF THE ESTABLISHMENT SUBCOMMITTEE
MADE ON 18 JUNE 2003**

2. The Committee approved the proposal.

Item No. 2 - FCR(2003-04)37

**RECOMMENDATIONS OF THE PUBLIC WORKS SUBCOMMITTEE MADE
ON 11 JUNE 2003, 25 JUNE 2003 AND 2 JULY 2003**

3. The Chairman said that as requested by some members, PWSC(2003-04)28, 33 and 37 would be put to vote as separate items.

4. The Chairman further informed members that pursuant to PWSC members' requests, the Administration had undertaken a review of the cost estimates of those projects due to be implemented in conjunction with the Shenzhen authorities. Having taken into account the cost of works to be undertaken by the Shenzhen authorities, the Administration had adjusted the cost estimates of three projects. For PWSC(2003-04)26 "151TB - Installation of air-conditioning system at the Lo Wu Cross Boundary Footbridge", the project estimate was revised from \$50.3 million to \$39.7 million. For PWSC(2003-04)44 "788 TH - New boundary bridge between Lok Ma Chau and Huanggang", the project estimate was revised from \$335.6 million to \$330.4 million.

PWSC(2003-04)42

5. Miss CHOY So-yuk wished to raise questions on PWSC(2003-04)42 "Additional open space adjacent to Tsuen Wan Town Hall". As Miss CHOY had not given advance notice to her request for Government official to be present to respond to questions, the Chairman asked Miss CHOY to state her views. Miss CHOY reiterated her concern raised at an earlier PWSC meeting that the project would involve felling of a large number of old trees. While the Administration had proposed to replant these trees elsewhere, it was to her understanding that once removed, these trees could not be replanted. She wished to place on record her request for the protection and preservation of the valuable species of old trees during the course of construction of the project.

PWSC(2003-04)31

6. Referring to the supplementary information given in respect of PWSC(2003-04)31 "244ES - Secondary school in Area 38A, Shatin and 297EP - Primary school in Area 38A, Shatin", Ms Emily LAU emphasized the urgency to relocate the refuse collection point (RCP) situated adjacent to the two proposed schools. She urged the Administration to expedite consultation with the village representatives of Tai Wai New Village in an attempt to identify an acceptable and convenient replacement site for RCP. Efforts should also be made to maintain RCP in a clean and tidy condition. The Administration should keep Members informed of the latest development.

PWSC(2003-04)45

7. As regards PWSC(2003-04)45 "Improvement to Tung Chung Road between Lung Tseng Tau and Cheung Sha", Ms Emily LAU noted that some of the residents remained opposed to the proposed project despite that the Highways Department agreed at the meeting with residents on 8 July 2003 to continue consulting residents on the working hours of construction, planting of trees along Tung Chung Road and strengthening of retaining walls etc. Given the need for the required improvement works, Ms LAU said that she would support the proposed project. She nevertheless urged the Highways Department to continue its efforts to address residents' concerns. Mr Albert CHAN said that in an attempt to expedite the construction process, he had proposed that part of the project which was not within the vicinity of residential

developments be proceeded round the clock. This was however not applicable to road sections which were close to residential developments. Miss CHOY So-yuk echoed that she would vote in support for the proposed project but held the view that the Administration should endeavour to mitigate the adverse environmental impact of the project.

8. The Chairman then put FCR(2003-04)37 (except PWSC(2003-04)28, 33 and 37) to vote. Members approved the proposal.

**PWSC(2003-04)28 9GB Construction of boundary-crossing facilities
at Shenzhen Western Corridor under the
“co-location” arrangement**

9. The Chairman remarked that the proposal was discussed at the PWSC meeting on 11 June 2003. According to the supplementary information paper PWSCI(2003-04)13 issued on 17 July 2003, the project estimate had been adjusted downwards from \$2,501 million to \$2,173.5 million.

10. While welcoming the proposed adjustment and the special arrangements to allow qualified contractors from Hong Kong to tender the entrusted works, Mr Albert CHAN was of the view that the revised estimate was still too high having regard to the lower cost of works in the Mainland. Noting that the bulk of project works would be carried out in the Mainland, he expressed grave concern that the local workforce would not be able to benefit from the job opportunities arising from the project. He said that he would object to the proposal on grounds that the Administration had turned a blind eye to the high unemployment rate in Hong Kong and entrusted the project to the Mainland.

11. Mr SIN Chung-kai said that Members of the Democratic Party were opposed to the proposal when it was discussed at the PWSC meeting on 11 June 2003. Subsequently, arrangements had been made to adjust the project estimate and to allow qualified Hong Kong contractors to tender for the entrusted works. In the long run, it was hoped that the Administration could make it a standing practice in allowing local companies to tender projects entrusted to the Mainland by the HKSAR Government. The Mainland authorities should also be asked to conduct briefing sessions on the tendering of projects to enable Hong Kong contractors to compete on a level playing field.

12. The Acting Deputy Secretary for Security (DS(S)) said that the project estimate relating to construction works was reduced downwards by some 30%. It was made after a careful review with the Shenzhen authorities. There was no room for further reduction as some of the cost was related to procurement of equipment rather than construction labour prices. He said that the project would be beneficial to the economy of Hong Kong as according to the Crosslinks Further Study by the Planning Department, the project would lead to a net financial gain of

\$175,000 million over a period of 20 years. As regard the concern about entrustment of works to the Shenzhen side, DS(S) said that special arrangement had been made to allow qualified contractors from Hong Kong to tender the entrusted works. The same arrangement had been adopted in the Regulation of Shenzhen River project entrusted to the relevant Shenzhen authorities. In fact, some of the works were successfully tendered by a Hong Kong contractor. He also confirmed that there would be a pre-tender briefing session and a post-tender question and answer session to be conducted by the Mainland authorities. As to whether the Administration would make it a policy to allow local companies to tender projects entrusted to the Mainland by the HKSAR Government, the Permanent Secretary for Financial Services and the Treasury (Treasury) said that the current project would serve as a reference for future projects and the works departments would take this into consideration when entrusting projects to the Mainland.

13. Mr Albert CHAN said that he had earlier raised his concern with the Secretary for Economic Development and Labour that the entrustment of the project to the Mainland would deprive the locals of the needed job opportunities but it seemed that the Secretary was not aware of such an arrangement. Mr CHAN requested to put on record his dissatisfaction about the lack of coordination on the part of the Administration in respect of the creation of job opportunities for the local workforce.

14. The Chairman put PWSC(2003-04)28 to the vote. 40 members voted for the proposal, one voted against and one abstained. The individual votes were as follows:

For :

Mr Kenneth TING Woo-shou	Mr James TIEN Pei-chun
Dr David CHU Yu-lin	Ms Cyd HO Sau-lan
Ir Dr Hon Raymond HO Chung-tai	Mr Martin LEE Chu-ming
Dr Eric LI Ka-cheung	Mrs Selina CHOW LIANG Shuk-yee
Mr James TO Kun-sun	Mr CHEUNG Man-kwong
Mr HUI Cheung-ching	Mr CHAN Kwok-keung
Mr CHAN Kam-lam	Mr LEUNG Yiu-chung
Mr SIN Chung-kai	Mr Andrew WONG Wang-fat
Mr WONG Yung-kan	Mr Jasper TSANG Yok-sing
Mr YEUNG Yiu-chung	Ms Miriam LAU Kin-yee
Mr Ambrose LAU Hon-chuen	Ms Emily LAU Wai-hing
Miss CHOY So-yuk	Mr Andrew CHENG Kar-foo
Mr SZETO Wah	Mr Timothy FOK Tsun-ting
Dr LAW Chi-kwong	Mr TAM Yiu-chung
Dr TANG Siu-tong	Mr Abraham SHEK Lai-him
Ms LI Fung-ying	Mr Henry WU King-cheong
Mr Tommy CHEUNG Yu-yan	Mr LEUNG Fu-wah
Dr LO Wing-lok	Mr WONG Sing-chi
Mr IP Kwok-him	Mr LAU Ping-cheung
Ms Audrey EU Yuet-mee	Mr MA Fung-kwok
(40 members)	

Against :

Mr Albert CHAN Wai-yip
(1 member)

Abstention :

Mr Michael MAK Kwok-fung
(1 member)

15. The Committee approved the proposal.

PWSC(2003-04)33 379RO Cherry Street Park, Tai Kok Tsui

16. While welcoming the Administration's decision of not pursuing with the development of petrol filling station in the area, Ms Emily LAU questioned the rationale for earmarking the Government/Institutions/Community site of the size of a football pitch for the development a post-secondary college in the middle of Cherry Street Park (the Park) and the need for a 4-metre wide strip of land along the eastern border of Site A to link between the northern and southern sections of the Park. The District Planning Officer of the Planning Department (DPO/Plan D) advised that the development of the post-secondary college was under the purview of the Education and Manpower Bureau (EMB). The college would consist of an enclosed structure with full air-conditioning and would serve as a noise barrier to reduce the impact of traffic noise on the neighbouring primary school.

17. Ms Emily LAU found it absurd that one of the objectives of the post-secondary college was to mitigate the impact of traffic noise which could be adequately addressed by the construction of noise barriers. She opined that instead of using the site for the development of such a small college in the middle of the Park, consideration should be given to incorporating the site into the Park to provide more leisure and recreational space for residents. Her views were shared by Mr Abraham SHEK. DPO/Plan D said that the Planning Department had consulted EMB which confirmed that the post-secondary college was scheduled for development in 2005, and that it was seeking a suitable provider for the college. However, details on the number of students to be enrolled had yet to be worked out.

18. While appreciating Ms Emily LAU's request for more recreational space for the Park, Mr James TO said that the project should not be further delayed. As an ex-officio member of the Yau Tsim Mong District Council (YTMDC), he was fully aware of the early provision of a park for the residents living in this area. YTMDC was strongly in favour of the development of the Park for the enjoyment of residents and had urged for its early completion. He hoped that the proposed project would be given the approval to go ahead first while continuous efforts would be made to further refine the layout design. Noting that the proposal had been thoroughly discussed by PWSC and was supported by YTMDC, Mr YEUNG Yiu-chung echoed that there

should not be any further delay in the development of the Park. He also agreed that the Administration should further liaise with EMB on the need for the college.

19. Mr Henry WU asked whether consideration could be given to using part of the land at Site B or C at the northern and southern ends of the Park in exchange for Site A for the development of the post-secondary college. In this way, the stretch of recreation land in the Park would not be disrupted by the provision of a college in the middle of the site. DPO/Plan D said that Site A had been placed on the application list for a number of years and consideration had once been given to use as a temporary park. The Planning Department had also discussed with EMB on the proposal of exchanging Site A with Site C for the development of the post-secondary college and if possible the proposed development would be included in the second stage of development of the Park. Given the present over-supply in the property market, Ms Emily LAU opined that Site B, which was reserved for residential use, would unlikely be developed in the near future. Therefore, consideration should be given to using the site for recreational purposes during the interim.

20. Ir Dr Raymond HO said that it was quite uncommon that a project of such a small scale had necessitated such a lengthy discussion at the PWSC meeting on 25 June 2003. The strong views expressed by members were prompted by the poor design of the Park, which could only be modified if members stood firm on having a better design. He was aware that residents had waited for a long time for the provision of the Park, but he hoped that they would not mind waiting a little longer for a better plan. The Deputy Secretary for Home Affairs (DS(HA)) responded that given YTMDC's persistent request for the provision of the Park, the Administration hoped to proceed with the project while the usage of Sites A, and C would be further pursued with EMB and other departments.

21. In order not to delay the project, Mr James TO asked if a motion could be passed to request the Administration to withhold the development of a post-secondary college at Site A. The Chairman considered that such a motion was inappropriate. Instead, the Administration could be asked to make an undertaking to the same effect. After discussion, the Administration agreed to explore the feasibility of using Site C for the construction of the proposed post-secondary college so as to release Site A for incorporation into the Park, and to report the outcome to the FC within three months' time.

22. The Chairman put PWSC(2003-04)33 to the vote. 31 members voted for the proposal, seven voted against and one abstained. The individual votes were as follows:

For :

Mr Kenneth TING Woo-shou
Dr David CHU Yu-lin
Mrs Selina CHOW LIANG Shuk-yee
Mr CHEUNG Man-kwong
Mr CHAN Kwok-keung
Mrs Sophie LEUNG LAU Yau-fun
Mr Andrew WONG Wang-fat
Mr Jasper TSANG Yok-sing
Ms Miriam LAU Kin-yee
Mr Andrew CHENG Kar-foo
Mr Timothy FOK Tsun-ting
Dr TANG Siu-tong
Mr Tommy CHEUNG Yu-yan
Mr Albert CHAN Wai-yip
Mr WONG Sing-chi
Mr MA Fung-kwok
(31 members)

Mr James TIEN Pei-chun
Mr Martin LEE Chu-ming
Mr James TO Kun-sun
Mr HUI Cheung-ching
Mr CHAN Kam-lam
Mr SIN Chung-kai
Mr WONG Yung-kan
Mr YEUNG Yiu-chung
Miss CHOY So-yuk
Mr SZETO Wah
Mr TAM Yiu-chung
Ms LI Fung-ying
Mr Michael MAK Kwok-fung
Mr LEUNG Fu-wah
Mr IP Kwok-him

Against :

Ir Dr Raymond HO Chung-tai
Mr LEUNG Yiu-chung
Mr Abraham SHEK Lai-him
Ms Audrey EU Yuet-mee
(7 members)

Dr Eric LI Ka-cheung
Ms Emily LAU Wai-hing
Mr Henry WU King-cheong

Abstention :

Miss Margaret NG
(1 member)

23. The Committee approved the proposal.

**PWSC(2003-04)37 658CL Remaining engineering infrastructure works
for Pak Shek Kok development – stage 2**

24. Ms Emily LAU was disappointed to note that despite the modifications made in the revised layout plan, there was no provision of proper restaurants along the waterfront of the Pak Shek Kok development. She pointed out that the panoramic seaview of the waterfront at Pak Shek Kok was not something which any restaurants at the Science Park developments and nearby housing sites could offer. It would be such a great pity if no careful thought was given to making the full use of the potentials of the site. She agreed that it should be for the market to decide what kind of restaurants would have the highest demand along the waterfront, but without making such a provision in the layout plan, there was no chance that restaurants could be built even when there was such a demand in future. Mr WONG Yung-kan said

that the Tai Po District Council had made the same request for the provision of restaurants along the waterfront promenade when it was consulted on the proposal. The Director of Territory Development (D of TD) said that while an open-air café was considered more appropriate along the waterfront, the provision of restaurants would be a feasible option. A site had been reserved within the waterfront promenade for the provision of eating places and tenders would be invited at a later stage as there were still two years before the project could be completed.

25. Mr Andrew WONG considered that some part of Pak Shek Kok should be developed into a commercial complex for the benefit of the residents in Science Park and tourists. The Acting Project Manager of Territory Development Department said that the proposed project was intended to provide engineering infrastructure works for Pak Shek Kok development – stage 2 and a waterfront promenade. Other facilities were not included in the proposal and would have to be pursued as a separate project. D of TD also undertook to relay to the Science Park authorities Mr WONG's request for earmarking a site close to the waterfront promenade for a commercial complex, adding that outsiders were welcome to use the recreational and sports facilities made available at both the Science Park and the waterfront promenade.

26. The Committee approved the proposal.

Item No. 3 - FCR(2003-04)38

HEAD 138 – GOVERNMENT SECRETARIAT : HOUSING, PLANNING AND LANDS BUREAU (PLANNING AND LANDS BRANCH)

◆ Subhead 000 Operational expenses

HEAD 159 – GOVERNMENT SECRETARIAT : ENVIRONMENT, TRANSPORT AND WORKS BUREAU (WORKS BRANCH)

◆ Subhead 000 Operational expenses

27. Ms Emily LAU noted that trainees in all engineering disciplines would need to acquire one or two years of relevant experience after completion of their training under the Graduate Training Scheme (GTS) before they became eligible to sit for the professional examinations. Without the necessary experience, the graduate trainees would be left in the vacuum between completion of training and attaining the eligibility for the professional examinations. She then enquired about the increase in number of training places as a result of the savings from reduction in honoraria and the number of graduate trainees who would not be able to obtain extended training. The Deputy Secretary for the Environment, Transport and Works (Works) said that in the past, the provision of extended training was not a problem as engineering graduate trainees could either be retained in the Government and employed as assistant professionals or secure employment elsewhere after training under GTS. However, under the current economic climate, many engineering graduate trainees were not able to obtain the requisite one or two years of relevant experience and thus not eligible for the professional examinations. As a result, departments had been utilizing their own

resources to provide the extended training as far as possible. Since this would not be sustainable in the long run, the Administration proposed to use the savings arising from the reduction in honoraria to provide extended training for new engineering graduate trainees. With these savings, GTS would be able to provide all the 78 engineering graduate trainees of the 2003 intake with the extended training required to sit for the professional examinations. At present, the total number of graduates under training by GTS was 274 and it was expected that the number would increase to around 370 in a few years' time with the implementation of the proposal.

28. The Committee approved the proposal.

Item No. 4 - FCR(2003-04)39

HEAD 162 – RATING AND VALUATION DEPARTMENT

♦ Subhead 000 Operational expenses

29. The Committee approved the proposal.

Item No. 5 - FCR(2003-04)42

HEAD 53 – GOVERNMENT SECRETARIAT : HOME AFFAIRS BUREAU

♦ Subhead 800 Departmental other non-recurrent

30. Mr Timothy FOK declared interest as the President of the Sports Federation and Olympic Committee of Hong Kong, China (SF&OC). Members noted that the proposal was discussed at the meeting of the Panel on Home Affairs on 14 July 2003.

31. Mr Andrew CHENG said that the proposal to bid for the hosting of the Fifth East Asian (EA) Games in 2009 was only brought up to the Panel on Home Affairs for discussion at its regular meeting on 14 July 2003 as an additional agenda item. Members were told that in-principle funding agreement had to be sought so that SF&OC could submit the Expression of Interest to the EA Games Association with the guarantee and commitment of the HKSAR Government. However, the proposal was made in great haste and members were not given enough time nor information to assess the financial implications of hosting the event which would result in an anticipated deficit of \$84 million based on an expenditure of \$171 million and an income of \$87 million.

32. The Deputy Director of Leisure and Cultural Services (DDLCS) explained that SF&OC intended to indicate Government's financial commitment to support SF&OC to host the 2009 EA Games at the next meeting of the EA Games Association to be held in Macau on 30 July 2003. As such, in-principle funding agreement had to be sought to enable Hong Kong to compete with other major cities in hosting the event. Mr Timothy FOK agreed to the urgency of the proposal as there were three other cities

which had already indicated interest in hosting the 2009 EA Games.

33. Mr Andrew CHENG said that if the Expression of Interest had to be indicated by July 2003, the Administration should have submitted the proposal earlier. In the present case, members were rushed into making a decision soon after the proposal was endorsed by the Executive Council at its meeting on 24 June 2003. Mr CHENG added that while Members of the Democratic Party supported the principle of hosting international sports events in Hong Kong, they had reservation in supporting the proposal given the limited time and information provided. He was also disappointed that the Administration had not learnt from the past failure in bidding for the 2006 Asian Games. He urged the Administration to withdraw the proposal now and re-submit it with more details on the income and expenditure for consideration by the Finance Committee at the next LegCo session in October 2003. This would allow sufficient time for members to study the financial implications arising from hosting the event. In the meantime, the Administration could consider making a policy statement on its support to host the event.

34. Referring to the projected income as set out in the supplementary information paper (LC Paper No. CB(2) 2866/02-03(01)), Mr CHENG opined that some of the projections were overly optimistic. By way of illustration, the projected revenue of \$25 million generated from television rights was much higher than that of \$4 million generated from the second EA Games hosted by Korea in 1997. Noting that the Korean and Japanese Governments had to bear more than 70% of the respective costs of \$220 and \$500 million incurred from the second and third EA Games, he was worried that the financial commitment to be borne by the HKSAR Government for hosting the event might be much higher than expected.

35. DDLCS said that pursuant to the request of the Panel on Home Affairs, the Administration had provided additional information on the projected income and expenditure which were comparable to that of Macau in hosting the 2005 EA Games. Reference had also been made to the previous consultancy study conducted for hosting the 2006 Asian Games. It was however not appropriate to compare the expenditure with that of the second and third EA Games in Korea and Japan respectively because some of the expenses were associated with the rebuilding or promotion of the cities concerned rather than just for hosting the event itself. Given the scale of EA Games and the seating capacity of the venues, the projected revenue of \$10 million from ticket sales was a conservative estimate as one full-capacity football match could already generate well more than \$1 million revenue. As regards the projected revenue of \$8 million from charged accommodation, this was based on realistic hotel rates and the anticipated number of participants. He said that the projections were realistic and as much information as possible was provided to Members.

36. Mr Tommy CHEUNG said that Members of the Liberal Party were supportive of hosting international events for the promotion of sports in Hong Kong. Nevertheless, he noted that apart from details on income and expenditure, many of the questions raised at the meeting of the Panel on Home Affairs on 14 July 2003 had

remained unanswered. Even on the income and expenditure projections, he queried the reliability of the projections by the estimate of the 2006 Asian Games, which attracted greater interest, as the basis. He asked if the projections were eventually found to be too optimistic, who would be responsible for meeting the shortfall if there was a deficit.

37. DDLCS said that the expenditure projections were based on a reasonable estimate and it was not possible to make an exact comparison with the 2006 Asian Games because of the differences in scale. The income projections were in fact conservative. The Administration was only seeking FC's in-principle support. The actual funding proposal for the project would be submitted to FC when the bid was successful. In the event that there was a deficit, the organiser would have to find ways to make up the deficit. Where a proposal to FC for supplementary funding was required, the Administration would need to offer a reasonable explanation to FC.

38. Noting that some of the local sporting facilities were way below international standard and would project a negative image of Hong Kong, Mr Tommy CHEUNG asked if funds need be sought to upgrade these facilities to an acceptable standard for staging international events. DDLCS reassured members that many of the sporting venues in Hong Kong were up to standard given the fact that a number of international events had been held in Hong Kong in the past. Nevertheless, cost for upgrading the lighting and seating etc of certain sports venues had been included in the projected expenditure.

39. Mr Albert CHAN said that he would object to the proposal which was made in such haste. He cautioned that the image of Hong Kong as a world city would be tarnished if the event was not well hosted. He pointed out that the information provided had not made any reference to the development of sports in Hong Kong. There was also a lack of coordination among sports associations to encourage local participation in the international sports scene. Given the shortage of time, it was unlikely that Hong Kong could be able to train its own athletes to participate in the 2009 EA Games. DS(HA) said that the training and development of athletes for the EA Games would be followed up by the Sports Development Board or the proposed Sports Commission. DDLCS added that Hong Kong was able to win three gold medals, four silver medals and eight bronze medals in the last EA Games and had excelled Macau in its sports performance.

40. While reproving the Administration for being late in submitting the proposal to bid the hosting of the 2009 EA Games, Mr IP Kwok-him held the view that it was worth supporting. He appreciated the additional information on the income and expenditure provided by the Administration and accepted that a certain level of deviation should be allowed in making projections. He however pointed to the need to ensure that the estimated expenditure would be able to cover the necessary expenses for upgrading the sports venues to meet international standards.

41. Mr MA Fung-kuok supported that Hong Kong should submit a bid to host the 2009 EA Games. He also agreed that, irrespective of whether the bid was successful or not, concerted efforts were required to promote the development of sports in Hong Kong. Mr Andrew WONG also indicated support for the proposal, adding that FC could cap the financial commitment at no more than \$84 million for hosting of the event so that any excess funding required would be met by SF&OC. The Deputy Secretary for Financial Services and the Treasury (Treasury)¹ said that as explained in the submission, should Hong Kong's bid be successful, the Administration would prepare a detailed estimate on the funding requirements for hosting the 2009 EA Games and would provide a separate submission on the actual financial commitment to FC for approval. DDLCS said that where additional funding was required, supplementary funding approval would have to be sought. If additional funding was not approved by FC, SF&OC would have to seek alternative funding from other sources.

42. The Chairman put FCR(2003-04)42 to the vote. 28 members voted for the proposal, two voted against and five abstained. The individual votes were as follows:

For :

Mr Kenneth TING Woo-shou	Dr David CHU Yu-lin
Ms Cyd HO Sau-lan	Dr Eric LI Ka-cheung
Mrs Selina CHOW LIANG Shuk-yee	Mr HUI Cheung-ching
Mr CHAN Kwok-keung	Miss CHAN Yuen-han
Mr CHAN Kam-lam	Mrs Sophie LEUNG LAU Yau-fun
Mr Andrew WONG Wang-fat	Mr WONG Yung-kan
Mr Jasper TSANG Yok-sing	Mr YEUNG Yiu-chung
Ms Miriam LAU Kin-yee	Mr Ambrose LAU Hon-chuen
Ms Emily LAU Wai-hing	Miss CHOY So-yuk
Mr Timothy FOK Tsun-ting	Mr TAM Yiu-chung
Dr TANG Siu-tong	Mr Abraham SHEK Lai-him
Ms LI Fung-ying	Mr Henry WU King-cheong
Mr Tommy CHEUNG Yu-yan	Mr LEUNG Fu-wah
Mr IP Kwok-him	Mr MA Fung-kuok
(28 members)	

Against :

Mr LEUNG Yiu-chung	Mr Albert CHAN Wai-yip
(2 members)	

Abstention :

Mr CHEUNG Man-kwong	Mr SIN Chung-kai
Mr Andrew CHENG Kar-foo	Mr SZETO Wah
Mr WONG Sing-chi	
(5 members)	

43. The Committee approved the proposal.

Item No. 6 - FCR(2003-04)43**HEAD 181 – TRADE AND INDUSTRY DEPARTMENT****◆ Subhead 800 Departmental other non-recurrent**

44. Members noted that the proposal was discussed at the meeting of the Panel on Commerce and Industry on 7 July 2003.

45. While indicating in-principle support for the hosting of the Sixth Ministerial Conference (MC6) of the World Trade Organization (WTO) in Hong Kong, Ms Emily LAU enquired about the income which was expected to be generated from the hosting of such an event. The Permanent Secretary for Commerce, Industry and Technology (Commerce and Industry) (PSCI) said that although most of the WTO members would be financing their own expenses for taking part in MC6, the expenses of the delegations from the least developed WTO members (about 50) would be borne by the hosting member as an usual practice. This was meant to facilitate the attendance of those members who wished to participate in the conference in setting up the much needed trading relations with member countries but who would otherwise not be able to finance their own expenses. In addition, the host would also pay in full the expenses of around 200 staff of the WTO Secretariat attending MC6. The other expenses would include venue hire, technology services, interpretation and security etc. Security expenses would be a significant part of the expenditure because some of the member delegations would be from countries which were politically sensitive and would require additional security protection. As to the income from MC6, PSCI said that being a ministerial conference, there would not be income generated from ticket sales. However, it was expected that the event would bring about 8 000 incoming visitors. Assuming that they would stay throughout the week-long conference, this would contribute some \$100 million to the tourist receipts of Hong Kong.

46. As WTO gatherings had attracted protestors from all over the world, Ms LAU enquired about the measures to be taken to deal with the demonstrations which would likely take place. She further asked if the Administration would consider introducing any new immigration policy to prevent protestors from entering Hong Kong during the conference. PSCI advised that the existing immigration policy would apply and there would not be any special restrictions for preventing certain categories of persons from coming to Hong Kong during the conference. The Hong Kong Police had experience in dealing with international events and the Administration was confident that Hong Kong would be able to host MC6 successfully. Apart from the Police, the Transport Department would also help to make suitable transport arrangements to facilitate the holding of the conference. The Information Services Department would disseminate the latest information on the conference to the media and the public. Other Government departments would be required to provide assistance where necessary. The Administration would also make reference to the experience from the Fifth Ministerial Conference to be held in Mexico in September 2003.

47. Mr Kenneth TING said that the proposal had the support of the Panel on Commerce and Industry when it was last discussed at the meeting on 7 July 2003. He agreed that the hosting of MC6 would raise Hong Kong's international profile and provide an excellent opportunity to showcase Hong Kong as "Asia's World City". He therefore supported the hosting of MC6 albeit the financial implications involved. While supporting the proposal, Mrs Selina CHOW said that efforts should be made to solicit institutional sponsors for MC6 as the event would be attended by ministers from all over the world and would be covered extensively by international media. She wished to put on record her suggestion that local exhibitions and performance should be held during the conference to showcase Hong Kong's unique culture and to promote the image of Hong Kong.

48. Mr CHAN Kam-lam said that Members of the Democratic Alliance for Betterment of Hong Kong fully supported the proposal as it would provide a chance for ministers and trade partners from all over the world to come to Hong Kong. The hosting of the event would raise the economic position of Hong Kong in the world and would benefit the tourism and other industries.

49. The Committee approved the proposal.

Item No. 7 - FCR(2003-04)40

HEAD 149 – GOVERNMENT SECRETARIAT : HEALTH, WELFARE AND FOOD BUREAU

♦ Subhead 700 General other non-recurrent

Item 020 Commitment for the fight against Severe Acute Respiratory Syndrome

50. Members noted that the Panel on Health Services was informed of the proposal on 12 June 2003.

51. Miss CHAN Yuen-han enquired if funding had been earmarked for the provision of staff to remind health care workers on the proper use of masks and other protective gears in the fight against Severe Acute Respiratory Syndrome (SARS). While supporting the strengthening of the medical workforce by 120 additional doctors, she questioned if this ran contrary to the prevailing practice of non-renewal of contract of serving medical doctors.

52. The Director (Professional Services and Public Affairs) of Hospital Authority (D(PSPA)/HA) said that during the outbreak of SARS, some staff were assigned to remind health care workers on the proper use of protective gears. However, no specific provision was made for additional staff to perform such duties because the proper use of protective gears was now a part of the duties of medical staff. Regarding the additional medical doctors to be employed, D(PSPA)/HA said that this would come from intake of new recruits as well as contract renewal of serving medical doctors. There would not be any contradiction in the recruitment and non-renewal of

contract of doctors which was a normal course in the running of hospitals. There were few medical doctors who were not offered contract renewal and some of them were those who had completed specialist training. Meanwhile, there was no problem in recruiting additional medical doctors in view of the large number of graduates in July 2003.

53. Miss CHAN Yuen-han asked if the purchase of some 150 infirmary bed spaces from non-governmental organizations to move elderly persons from the hospital setting to convalescent institutions was a cost saving measure. She held the view that infirm elderly persons could be better taken care of at hospitals rather than convalescent institutions as the former was serviced by a team of doctors. She was also concerned if the outreached medical service for the elderly was adequate since some of the elderly persons were more prone to complications if they were not hospitalized.

54. The Permanent Secretary for Health, Welfare and Food (PSHWF) clarified that the purchase of 150 infirmary bed spaces from non-governmental organizations was not intended to save costs. She pointed out that as elderly persons were more vulnerable to infectious diseases in a hospital setting, moving them to convalescent institutions would reduce the risk of infection. However, not all elderly persons were fit to move to convalescent institutions and those with chronic illnesses had to be confined in hospitals. PSHWF added that the outreached medical service had achieved its intended purpose and had reduced the spread of SARS. Nevertheless, the Administration would review the policy on medical care for the elderly with a view to providing adequate care for the elderly.

55. Ms Emily LAU stressed the need to improve the surveillance and notification mechanism with the Mainland as otherwise efforts made in Hong Kong would be futile. PSHWF said that the Administration was well aware of the need to improve the transparency of the notification mechanism. The Department of Health had been liaising with the Mainland authorities on measures to facilitate the exchange of information on new infectious diseases, for example, information had been sought and meeting held on the outbreak of encephalitis recently. Consideration was being given to including incidents involving the outbreak of disease among frontline medical staff as one of those cases to be reported across the border. An expert group comprising health officials from Guangdong, Macau and Hong Kong would regularly meet to exchange information on infectious diseases and the next meeting would be held in August 2003. However, it was worth noting that medical advancement might not be able to keep up with the emergence of new infectious disease in some cases.

56. While acknowledging that Hong Kong had a highly transparent reporting mechanism regarding outbreak of infectious disease, Mrs Sophie LEUNG noted that the same transparency might not be applicable to the Mainland where, given the high population, unnecessary panic might be caused by dissemination of inaccurate information. She therefore considered the most crucial notification mechanism was within the medical and health sectors. Where there were signs of an outbreak of an

infectious disease, the notification mechanism within the medical and health sectors should be triggered off so that all medical staff could be on the alert to prevent the spread of the disease. This mechanism was also in line with the recommendations of the World Health Organization.

57. Noting that a number of studies on SARS were still underway, Ms Emily LAU asked if it would be more prudent to wait for the outcome of these studies before proceeding with the measures pertaining to the present proposal to avoid any possible conflict. PSHWF said that the proposed measures were worked out taking into account the experience gained in the fight against SARS, and that the drawdown of the funds would be based on actual spending. Depending on need, the Administration might have to seek the approval of FC to further increase the commitment.

58. In response to Ms LAU's question on the way forward for vacant units in King Hin Court and Tin Yan Estate which had been used as temporary quarters for health care staff during the SARS crisis, PSHWF said that with the removal of the threat of SARS, these units would be returned to the Housing Authority (HA) for re-allocation. However, as experts had warned about the resurgence of SARS, there was a need for contingent measures to be worked out with HA to ensure ready provision of housing units for temporary accommodation of health care staff in times of crisis.

59. The Committee approved the proposal.

Item No. 8 - FCR(2003-04)41

HEAD 149 – GOVERNMENT SECRETARIAT : HEALTH, WELFARE AND FOOD BUREAU

◆ Subhead 700 General other non-recurrent

New item “Funding Research on Control of Infectious Diseases”

60. Members noted that the present proposal was discussed at the meetings of the Panel on Health Services on 25 June and 9 July 2003.

61. Miss CHAN Yuen-han enquired about the role and composition of the Research Council (RC) as well as its relationship with the Center for Disease Control (CDC) which was also involved in research on disease control. PSHWF advised that RC comprised representatives from the Health, Welfare and Food Bureau, public institutes and bodies, academies and private sector to be appointed by the Secretary for Health, Welfare and Food. While the organizational structure of RC had yet to be worked out, its role would differ from CDC which would mainly focus on applied research.

62. In response to Miss CHAN's concern about the overlapping of funding for research projects undertaken by RC, the University of Hong Kong and the Chinese University, the Deputy Secretary for Health, Welfare and Food (Health) said that the proposed funding, if approved, would be opened to researchers as well as public and private academies in Hong Kong by late 2003. Researchers collaborating with the Mainland and overseas institutions might also apply for the fund. A separate funding of \$50 million would be provided to the Mainland to finance researches on controlling infectious diseases, the findings of which would be shared between both sides. All research proposals, including those commissioned by the Health, Welfare and Food Bureau to address specific problems, would be subject to the extensive, two-tiered peer review process to ensure scientific credibility and for ethical considerations.

63. The Committee approved the proposal.

64. The meeting was adjourned at 7:00 pm.

Council Business Division 1
Legislative Council Secretariat
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