

立法會
Legislative Council

LC Paper No. CB(1)2476/03-04
(These minutes have been seen
by the Administration and
cleared with the Chairman)

Ref: CB1/PL/ES/1

Panel on Economic Services

**Minutes of meeting held on
Monday, 28 June 2004, at 10:45 am
in the Chamber of the Legislative Council Building**

- Members present** : Hon James TIEN Pei-chun, GBS, JP (Chairman)
Hon Kenneth TING Woo-shou, JP
Dr Hon David LI Kwok-po, GBS, JP
Hon Fred LI Wah-ming, JP
Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP
Hon CHEUNG Man-kwong
Hon CHAN Kam-lam, JP
Hon SIN Chung-kai
Hon Howard YOUNG, SBS, JP
Hon LAU Chin-shek, JP
Hon Miriam LAU Kin-yee, JP
Hon CHOY So-yuk
Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, JP
Hon Henry WU King-cheong, BBS, JP
Hon LEUNG Fu-wah, MH, JP
- Members absent** : Dr Hon LUI Ming-wah, JP (Deputy Chairman)
Dr Hon Eric LI Ka-cheung, GBS, JP
Hon HUI Cheung-ching, JP
Dr Hon Philip WONG Yu-hong, GBS

**Public Officers
attending**

: Agenda item IV

Ms Sandra LEE
Permanent Secretary for Economic Development and
Labour (Economic Development)

Ms Eva CHENG
Commissioner for Tourism

Miss Patricia SO
Assistant Commissioner for Tourism

Agenda item V

Ms Sandra LEE
Permanent Secretary for Economic Development and
Labour (Economic Development)

Ms Eva CHENG
Commissioner for Tourism

Mr Andy CHAN
Assistant Commissioner for Tourism

Mr S C YIP
Deputy Director (Special Duties)
Civil Engineering Department

Agenda item VI

Ms Sandra LEE
Permanent Secretary for Economic Development and
Labour (Economic Development)

Mr Wilson FUNG
Deputy Secretary for Economic Development and
Labour (Economic Development)

Mr David PANG
Chief Executive Officer
Airport Authority

Mr Hans BAKKER
Commercial Director
Airport Authority

Clerk in attendance : Mr Andy LAU
Chief Council Secretary (1)2

Staff in attendance : Ms Debbie YAU
Senior Council Secretary (1)1

Miss Fanny LEUNG
Legislative Assistant 1

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I Confirmation of minutes and matters arising

(LC Paper No. CB(1)2199/03-04 - Minutes of meeting held on 24 May 2004)

The minutes of the meeting held on 24 May 2004 were confirmed.

II Endorsement of the report of the Panel for submission to the Council

(LC Paper No. CB(1)2187/03-04 - Draft report of the Panel for submission to the Council)

2. Members endorsed the draft report of the Panel for submission to the Council on 7 July 2004.

III Information papers issued since last meeting

(LC Paper No. CB(1)2033/03-04(01) - Tables and graphs showing the import and retail prices of major oil products from May 2002 to April 2004 furnished by the Census and Statistics Department)

3. Members noted the information paper issued since last meeting.

IV Development of a new cruise terminal facility in Hong Kong

(LC Paper No. CB(1)2198/03-04(01) - Information paper provided by the Administration)

4. With the aid of PowerPoint, the Commissioner for Tourism (C for Tourism) briefed members on the Government's latest thinking on the development of a new cruise terminal facility in Hong Kong. She introduced the background, market potential for Hong Kong to develop into a regional cruise hub, the need for

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additional cruise terminal facilities and the obstacles for timely development of such facilities in Southeast Kowloon (SEK). She said that due to the Court of Final Appeal's judgement on reclamation within the core Harbour area, the development plans for the whole of SEK had to be reviewed which, according to the Planning Department, would take about three years to complete. In order to ensure timely delivery of additional terminal facilities to meet the medium-term need, the Administration planned to launch an open invitation for proposals (IFP) for private sector to put forward proposals on the location, development and operation mode of a new cruise terminal facility in Hong Kong. She stressed that the IFP exercise would be an open and fair process. The current target was to launch the IFP exercise in the latter half of 2004, with a view to signing a provisional agreement with the selected proponent in 2005-06.

Application of the Protection of the Harbour Ordinance

5. Referring to the application of pontoon berthing technology, the Chairman enquired whether the pontoon option would be construed as a kind of reclamation in the harbour, and hence, the Protection of the Harbour Ordinance (Cap. 531) (the PHO) would apply.

6. C for Tourism replied that as the pontoon option did not necessarily involve works for the purpose of forming land from the sea-bed or foreshore, the preliminary legal advice was that the PHO would not apply if suitable technology was deployed. However, each case would need to be examined on its individual merits. She however said that if reclamation within the harbour was proposed under the IFP exercise, the proponent would have to prove to the satisfaction of the Government that there was overriding public need for rebutting the presumption against reclamation under the PHO as laid down by the Court of Final Appeal or that the PHO would not apply.

7. Mr Kenneth TING cast doubt on the applicability of the pontoon berthing technology and enquired whether the operator of the Ocean Terminal could elongate its berthing facility by adding pontoon to accommodate mega cruise ships, and hence, saved the need for providing the new cruise terminal. C for Tourism explained that in view of the huge drafting force of water, it might be technically difficult to adopt the pontoon option at the Ocean Terminal. Whether the pontoon option could be deployed for other locations such as SEK would be subject to further research on the technical feasibility.

IFP exercise

8. The Chairman enquired whether the Government would put out for tender the selected proposal after conducting the IFP exercise, particularly when Government land was involved in the proposal submitted by potential proponents.

9. C for Tourism replied that the objective of the IFP exercise was to solicit

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innovative proposals which would enable the timely development of the new cruise terminal. As the IFP exercise was already an open and fair process, there was no need for the Government to conduct another round of tendering for taking forward the selected proposal. Given that none of the developers in Hong Kong had sufficient land along the waterfront for the development of a new cruise terminal facility, they would be required to set out their own respective land requirement in their proposals. She stressed that Government land would only be disposed of upon payment of the full market value by the selected proponent.

Role of Government in developing the terminal facility

10. Mr Abraham SHEK remarked that there was an urgent need for the Government to take forward the initiative to develop a new cruise terminal facility in Hong Kong. However, instead of leaving a free hand to the private sector to come up with concrete proposals for development, he considered that the Government should set out a clear policy objective with a locational comparison of all possible sites identified by the Government for a new cruise terminal facility so as to facilitate the private sector to consider further on their investment decisions.

11. Mr Howard YOUNG remarked that as cruise terminal was a kind of public facilities, the Government should consider building it on its own, similar to the case of the airport. In fact, many cruise terminals overseas were invested and operated by the governments. Mr YOUNG was also worried that if the cruise terminal were left to be developed and operated solely by the private sector, it might result in high charges as was the case of the container terminals in Hong Kong.

12. In response, C for Tourism pointed out that it was the Administration's intention to encourage private investment on tourism projects so that Government's resources could be deployed for the development of other public infrastructure. Further, in view of the rapid development in the international cruise market, it would be more efficient and effective for the private sector to develop and operate the cruise terminal facilities in collaboration with the experienced players in the market. On future terminal charges, C for Tourism said that the Administration would not regulate the charges but she believed that they could be adjusted through market competition.

13. Mrs Selina CHOW declared that she was the Chairman of the Hong Kong Tourism Board (HKTb). She supported the Administration's proposal and agreed that private participation could help ensure the timely development of a new cruise terminal facility in Hong Kong.

Commercial viability

14. Mr CHAN Kam-lam expressed support for the development of a new cruise terminal facility in Hong Kong. He however remarked that in the absence of a concrete development plan in SEK, particularly the cruise terminal there, it

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would be difficult for investors to come up with proposals for medium-term development at other alternative sites, lest the threats and competition posed by a similar development in SEK. In his view, it would be more desirable if a decision on the future development plan for a new cruise terminal facility in SEK could be finalized before inviting proposals from the private sector. To speed up the process, Mr CHAN asked if the Administration could consider inviting the court to make a ruling on whether the proposed development of a new cruise terminal facility in SEK would be in contravention of the PHO.

15. Mr Henry WU also expressed grave concern on whether there was sufficient demand to justify the provision of three or more cruise terminals in Hong Kong. He was also worried about the potential risks faced by investors, given the uncertainties on the development of a new cruise terminal facility in SEK.

16. C for Tourism reiterated the urgent need for Hong Kong to develop a new cruise terminal facility to meet the market demand in the medium term. She said that the existing berthing facilities in Hong Kong were becoming increasingly inadequate to meet market demand, particularly during peak seasons. Moreover, some of the newest mega cruise ships were simply too big to be berthed at the Ocean Terminal. The Administration had had to put in place arrangements for temporary berthing for large ships at the container terminal in Kwai Chung which was far from satisfactory. In fact, industry sources and continuous investment in the market had confirmed the predictions of long-term cruise market growth potential of the Asia Pacific region. However, if the Government had to wait until the completion of the SEK Review, the cruise terminal in SEK would not be ready for use until 2012-13. To fill in the gap, the Administration saw the need to ensure the timely development of a new cruise terminal facility to meet the medium-term demand. C for Tourism further said that in order to ensure the commercial viability of the medium-term facilities, it is up to the potential proponents to propose in their proposals any request for reassurance on the timing of the development of a new cruise terminal facility in SEK for consideration by the Administration.

17. As regards the time required for reviewing the development plans of the whole SEK, C for Tourism explained that under the review, the original components in the existing Outline Zoning Plan might be substantially revised with a view to minimizing the need for reclamation. The Administration also needed time to go through the statutory town planning processes. In view of members' concern, the Administration would relay the concern to the Planning Department for consideration. Regarding the possibility of an advance court judgement on the development of a cruise terminal facility in SEK, C for Tourism said that the Administration's plan was to conduct an overall review for the SEK exercise.

18. Whilst recognizing the need for the development of a new cruise terminal facility in Hong Kong, Mr CHAN Kam-lam was not convinced of the Administration's reply. He said that the Administration should aim at speeding up

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the review of the development plans for SEK before proceeding on the construction of a new cruise terminal elsewhere. This could ensure the efficient allocation of resources. In the interim, arrangements could be made for large cruise ships to be temporarily berthed at the middle of the harbour, supplemented by feeder services to the shore.

19. C for Tourism remarked that cruise tour was a kind of luxury travel. Ship operators might choose not to include Hong Kong on their itineraries if it could not provide high standard cruise facilities and services. Therefore, it would not be desirable for cruise ships to be berthed at the middle of the harbour. In reply to the Chairman, C for Tourism pointed out that arrangements for large ships to be berthed at the container terminals had to be made on a case-by-case basis since the terminals had their own calling schedules of container vessels.

20. Mrs Selina CHOW pointed out that the Administration should adopt a more flexible approach for the future development of a new cruise terminal in SEK if it intended to invite the private sector to come up with proposals for development at other alternative locations. This could boost investors' confidence in putting forward alternative proposals under the IFP exercise.

21. C for Tourism agreed that the timing for further expansion at SEK should be flexibly adjusted in response to the long-term market demand for cruise terminal facilities. However, as SEK was the only site within the Harbour which was suitable for the development of berthing facilities and could allow for future expansion, the Administration was obliged to earmark the site for the purpose.

Potential sites and land resumption

22. On behalf of the Democratic Party, Mr SIN Chung-kai expressed support for the proposed development. He however remarked that in case the selected proposal required substantial land grant from the Government, the Government should model on the application system for the land sale programme and tender out the lands earmarked by the selected proponent for the purpose to ensure fairness. On the other hand, if the selected proponent was simply suggesting the use of a portion of Government land in addition to its own for the development of the cruise terminal, it would be more acceptable for the Government to negotiate with the selected proponent on the land premium before disposal without going through another round of tendering.

23. C for Tourism pointed out that the model for land sale programme would not be appropriate for the exercise, as the business plan and mode of operation which would place Hong Kong as a principal homeport in the region would be more relevant. The capability and experience of the proponents as well as its ability in bringing new cruise ships to use Hong Kong as home port would be one of the major considerations in selecting the suitable proponents. Noting the Administration's consideration, Mr SIN Chung-kai advised that the Government

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should avoid inviting criticisms by granting more than necessary lands for the development of facilities complementary to the cruise terminal.

24. Members noted that no private developers had acquired sufficient land alongside the waterfront for the development of a cruise terminal with a length of 400 meters long. To enable the timely completion of the project, Mrs Selina CHOW and Mr CHAN Kam-lam urged the Administration to assist the selected proponent to go through the statutory procedures. C for Tourism remarked that the Administration would spare no effort to assist the selected proponent during the development of the project.

25. Mr Abraham SHEK considered that both Hung Hom and North Point were suitable locations for the development of cruise terminal. He asked about the potential sites identified by the Administration in previous studies. In reply, C for Tourism said that the previous study commissioned by the Territory Development Department (TDD), which was only a preliminary study, examined some 30 sites and berthing locations. It concluded that the SEK was the most suitable site for long term development of cruise terminal facilities, while the other sites were subject to different degree of constraints. The proponent would be free to propose any location for the development.

26. To encourage private sector participation, Mr Abraham SHEK considered that the Administration should provide more information such as the list of suitable locations as identified by TDD and their respective merits and demerits in the IFP documents. The Administration should also provide assistance to potential developers, in particular those in overseas, on possible land resumption. Mr SHEK was also worried that the present proposal might turn out to be another case of property development project similar to the one in the West Kowloon Cultural District.

27. C for Tourism responded that the Administration would include the relevant information from TDD's study in the IFP documents. She pointed out that in order to ensure the timely development of the facility, land resumption was discouraged. However, proponents with no land reserve could also submit their proposals and specify their land requirements in the proposals. On selection criteria, she said that the time of completion would be an important consideration in the evaluation of proposals and the IFP document would state clearly that priority would be given to proposals which could ensure timely delivery of additional terminal facilities to meet the medium-term need. In addition, proposals that would contribute to the development of Hong Kong as a regional cruise hub, e.g. by bringing more ships to Hong Kong as their home-port, would also be preferred.

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28. To conclude, the Chairman asked the Administration to note members' view and revert to the Panel as appropriate.

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V Progress update on Hong Kong Disneyland

(LC Paper No. CB(1)2198/03-04(02) - Information paper provided by the Administration)

29. At the invitation of the Chairman, C for Tourism gave an update on the progress of the Hong Kong Disneyland (HKD) Phase 1 project. She informed members that the HKD Phase 1 project was on schedule and within budget. On the operation front, the Hongkong International Theme Parks Limited (HKITP) had started discussion with the HKTB and the travel industries in Hong Kong, Mainland and neighbouring destinations on the best ways for promoting and marketing the HKD. HKITP would also start large-scale recruitment of operational staff for the theme park in the latter half of 2005. A total of about 5 000 staff would be needed on opening of the theme park. Intensive training would be given to the staff for about two to three months before opening. To ensure operational readiness for the timely and smooth opening of the theme park, Government had set up a Disneyland Readiness Committee to coordinate work of all parties involved in preparing the opening.

Infrastructural works

30. Given the estimated number of base tourists projected for 2005 should far exceed that made in 1999 following the implementation of the Individual Visit Scheme (IVS), Mr SIN Chung-kai was concerned about the implementation programme for the Phase 2 development. In case the Walt Disney Company (WDC) did not intend to take up the Phase 2 development in the foreseeable future, he asked if the Government would be prepared to engage other theme park operators such as the Universal Studios to develop another theme park at the Phase 2 site of the HKD.

31. C for Tourism pointed out that all Disney theme parks had been built in phases. She said that under the Project Agreement, HKITP had given an option to buy the Phase 2 site. The option was valid for 20 years from 2000, with an automatic right to extend for further five years and a conditional right to extend for further five years. The conditional right could be exercised if the annual attendance of the theme park had reached 8 million. C for Tourism further advised that HKITP had all along expressed an interest in the Phase 2 development, but its immediate focus was to ensure successful opening of Phase 1.

32. Recalling that during the Panel's overseas duty visit in April 2004, the senior management of Disneyland Resort Paris had been very optimistic on the number of tourists visiting HKD, the Chairman sought information on the revised base tourists forecast for HKD on opening. Given the number of visitors from the Mainland in 2004 was projected to exceed 11 million, Mrs Selina CHOW pointed out that the present size of HKD should be expanded to accommodate the anticipated large number of visitors. To strengthen the position of HKD as a

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major theme park in the neighbourhood, she urged that base tourists forecasts by 2005 should be updated as soon as possible so that Phase 2 development could be justified and taken forward readily.

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33. In reply, C for Tourism said that HKITP had been conducting its own market research. As the market landscape was changing rapidly after the implementation of IVS, it would take some time before an updated figure could be worked out. She would reflect the Panel's view to HKITP. The Chairman requested the Administration to liaise with HKITP to see if an updated estimate would be provided to the Panel by around November 2004.

34. Noting that the final payment of works and infrastructure contracts for Disneyland Resort Paris had far exceeded the original estimates, Mr CHAN Kam-lam was concerned whether HKD could be completed within budget. He also asked about the amount of contractual claims.

35. C for Tourism reiterated that the Government infrastructure works were on schedule and within budget and no delay of works was envisaged. The Deputy Director (Special Duties) of the Civil Engineering Department (DD(SD)/CED) said that the total tender price on Government infrastructure works had increased to \$9.51 billion after the last contract was awarded on 18 June 2004. The Administration was confident that the final price would be less than the original estimates of \$12 billion.

36. Mrs Selina CHOW commended the Administration's effort in realizing savings on the construction of the infrastructure and associated works. She believed that normal variations of the remaining works, if any, would be absorbed by the contingency item on the budget and more than 20% savings could be achieved eventually. DD(SD)/CED replied that the total expenditure should be within budget, but it was too early to conclude that there could be as much as 20% savings, bearing in mind recent upsurge in oil and steel prices.

Employment opportunities

37. On recruitment of frontline operating staff, Mr LAU Chin-shek asked about the proportion of local staff to be employed and whether training would be provided. In reply, C for Tourism said that most of the 5 000 staff required on opening would be locally recruited. Intensive training would be given to them to ensure that they understood the operation of the theme park and the service culture of Disney.

38. While agreeing in principle to local recruitment, Mrs Selina CHOW strongly urged that westerners should be appointed as cast members to retain the original special appearance of Disney characters. Noting that there was an increasing number of tourists from non-English speaking markets visiting Hong Kong, Mr Howard YOUNG advised that HKD should aim at attracting visitors

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from all source markets, instead of relying singly on the Mainland market. As such, he urged that HKITP should be prepared to serve visitors who spoke languages other than English, Cantonese or Putonghua.

39. C for Tourism agreed to relay members' view and concerns on these operational issues to HKITP for consideration.

VI Temporary Golf Facility at the Hong Kong International Airport

(LC Paper No. CB(1)2198/03-04(03) - Information paper provided by the Administration)

40. At the invitation of the Chairman, the Deputy Secretary for Economic Development and Labour (Economic Development) and the Chief Executive Officer, Airport Authority (CEO/AA) briefed members on the development of the temporary golf facility by the Airport Authority (AA) at the Hong Kong International Airport (HKIA) as a short-term land use. They highlighted that there was a global trend for major international airports to develop transfer/hubbing business to meet service demand and provide basis for continual growth. To strengthen Hong Kong's position as the region's aviation hub, a major initiative of AA was to increase transfer passengers from the present 31% to 50% of the total passenger traffic within the next five years. In addition to the measures that had been adopted to increase the flow of transfer passengers, AA proposed to develop temporary golf facility having identified such interest from surveys conducted on transfer passengers. CEO/AA said that a temporary 9-hole executive golf course was proposed to be developed on the land within the SkyCity earmarked for long term commercial uses. Land use was approved by the Town Planning Board for a 10-year term expiring in 2013. He stressed that the implementation of the golf facility was likely to bring net economic benefits to the economy, estimated at HK\$32 million in present value terms (for the period up to 2013) based on additional spending by passengers, tourists and airport users. The project was also expected to generate up to 55 new jobs in Hong Kong and an additional employment of 50 man-year for the construction sector during the construction phase. Members noted that the golf facility was anticipated to commence operation in 2006/07.

Target users and usage

41. In reply to the Chairman on the target users of the proposed golf facility, CEO/AA said that the golf facility aimed at attracting more passengers, in particular transit passengers. According to 2002 figures, about 1.2 million (23%) of transfer passengers had a total transfer dwell time of over four hours and about 24% of them had shown a high interest level to play golf at HKIA.

42. Mrs Selina CHOW declared that she was a member of the AA Board. She supported the proposed development of a golf facility as it would bring extra value

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to the airport. She noted that airport users and workers at the HKIA would also be allowed to use the proposed golf facility and sought clarification on the conditions of use.

43. CEO/AA explained that the primary purpose of AA was to enhance more passenger flow to Hong Kong and transit passengers might be given higher priority in using the proposed golf facility. Airport users would be exhibition participants or hotel customers whereas airport workers referred to those whose work was related to airport business and would bring more people and cargo to Hong Kong.

44. Mrs Selina CHOW considered that all airport users and workers, including visiting businessmen and transit passengers, should be allowed to use the proposed golf facility on an equal footing. In this connection, the Chairman said that it would not be appropriate to see the golf facility as a kind of fringe benefit for staff of HKIA.

45. CEO/AA responded that all qualified users would be allowed to use the golf facility and the operational details would have to be worked out by the successful proponent. He assured members that as the golf facility was privately operated, it was unlikely that staff of HKIA could use it without proper charges.

46. Mr SIN Chung-kai expressed the support of the Democratic Party on the proposed development of the golf facility at HKIA as it could bring about economic benefits to the economy. He proposed that in case of low utilization, the golf facility could also be open to those who held a valid boarding pass within two days. CEO/AA took note of Mr SIN's suggestion. He said that AA welcomed the idea of opening the golf course for other people but the primary target players were transit passengers.

47. Mr Howard YOUNG expressed his full support for the development of a golf course at HKIA since it could enhance Hong Kong as a multi-facet tourist destination. He however enquired if the golf facility would be opened for use at night time. CEO/AA shared Mr YOUNG's view and remarked that night golf was an important part of the design in the proposal.

48. Mr CHAN Kam-lam was concerned whether the land was put to an optimal use. Referring to the results of the surveys conducted by AA, Mr CHAN was concerned whether it had considered other activities for transit passengers during dwell time. He considered it too rush for transit passengers to play golf with only a few hours. Ms CHOY So-yuk asked if other outdoor facilities such as tennis courts had been considered as viable options.

49. On the viability of developing golf facility at HKIA, CEO/AA advised that golfing had fast become a popular sport for flight passengers, in particular frequent business travellers who wished to try their putt during transit. Golf courses had been on the list of airport-related projects providing amenities to passengers for

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major transfer hubs including Changi Airport of Singapore; Schipol Airport of Amsterdam and Brisbane Airport of Australia (under construction). CEO/AA further advised that AA had invited tender to select an investor/operator in developing the golf course. If the project was not viable, no developer would be interested.

50. As regards other alternative locations for the golf facility, CEO/AA pointed out that most of the surveyed passengers who preferred to play golf during the transit time indicated that they wished the golf facility to be located inside the airport. AA had also explored the option of developing tennis facility but the surveys had revealed a low demand and such facility were already available at the airport hotel.

Land use

51. Noting that land use for the proposed golf facility was approved for a 10-year term expiring in 2013, Mr SIN Chung-kai was concerned that this might affect the development plan of the airport island if other pressing needs emerged during the ten years' agreement period.

52. CEO/AA pointed out that a termination clause would be included in the project agreement to enable the AA to redeem the land for other development if necessary. However, this would be subject to the payment of a compensation to the operator of the golf facility.

53. Mr CHAN Kam-lam considered that the estimated economic benefits of HK\$32 million for the development of a golf facility at HKIA for 10 years was on the low side. He enquired if AA had considered other options. Mr TING Woo-shou held a different view. He said that golfing had become more and more popular in Hong Kong and sought the way forward after the agreement expired in 2013 if the golf facility proved to be very successful in drawing more passengers to fly through Hong Kong.

54. CEO/AA pointed out that according to the market research done earlier, golf course was found to be the most viable option at present. He stressed that the primary objective of AA was to enhance more flow through Hong Kong. The development of a business centre at HKIA was indispensable to achieve this objective and AA would take forward the project when a critical mass was formed. By then, the Administration might consider developing a bigger golf course near HKIA on Lantau Island.

55. Ms CHOY So-yuk recalled that during members' consideration on the development of the Asia-World Expo (formerly known as the International Exhibition Centre) some years ago, the Administration had indicated that land reclamation was required if it was intended to develop phase two of the AsiaWorld-Expo because all lands designated for airport-related use had been

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exhausted. She recapped that at the relevant meeting, it had been pointed out that the scale of Asia-World Expo was too small and it could not be used to hold exhibitions of larger scale. Ms CHOY was now very surprised to note that a piece of 12-hectare land had remained undeveloped and would be used for developing temporary golf facility. She sought explanation from the Administration.

56. In response, CEO/AA explained that a total of 1 240 hectares of lands had been designated for airport-related use, of which about 47 hectares had been allocated to develop the SkyCity including 100 000 m² exhibition space. CEO/AA stressed that the present site used to develop the proposed golf facility had been earmarked for long term commercial uses under a phased development programme to avoid disturbing the market. In reply to the Chairman, CEO/AA agreed that the piece of land in question would be used in accordance with the master plan.

VII Any other business

57. The Chairman expressed his appreciation for the support of members and the Administration in attending to matters dealt by the Panel in the past year. He noted that the Secretary for Economic Development and Labour (SEDL) had attended about half of the twelve panel meetings held this year and invited SEDL to attend future panel meetings more frequently to enhance the communication of Panel members and the Administration.

58. There being no other business, the meeting ended at 12:50 pm.