

**立法會**  
**Legislative Council**

LC Paper No. CB(2)3312/03-04

(These minutes have been  
seen by the Administration)

Ref : CB2/PL/HA

**Panel on Home Affairs**

**Minutes of meeting  
held on Wednesday, 14 July 2004 at 10:00 am  
in Conference Room A of the Legislative Council Building**

**Members present** : Hon IP Kwok-him, GBS, JP (Chairman)  
Hon MA Fung-kwok, SBS, JP (Deputy Chairman)  
Hon Albert HO Chun-yan  
Hon NG Leung-sing, SBS, JP  
Hon James TO Kun-sun  
Hon Emily LAU Wai-hing, JP  
Hon CHOY So-yuk  
Hon Andrew CHENG Kar-foo  
Hon Henry WU King-cheong, BBS, JP  
Dr Hon LO Wing-lok, JP  
Hon WONG Sing-chi

**Members absent** : Hon Cyd HO Sau-lan  
Hon WONG Yung-kan, JP  
Hon Andrew WONG Wang-fat, JP  
Dr Hon TANG Siu-tong, JP  
Hon Timothy FOK Tsun-ting, GBS, JP  
Hon Tommy CHEUNG Yu-yan, JP  
Hon Albert CHAN Wai-yip

**Public Officers attending** : Item IV

Mr Stephen FISHER  
Deputy Secretary for Home Affairs (1)

Mrs Nancy HUI  
Principal Assistant Secretary for Home Affairs (2)

Item V

Mr Stephen FISHER  
Deputy Secretary for Home Affairs (1)

Ms Esther LEUNG  
Principal Assistant Secretary for Home Affairs (1)

Ms Fony LUI  
Senior Executive Officer (1)4  
Home Affairs Bureau

Mr Y S LEE  
Chief Project Manager  
Architectural Services Department

Item VI

Mr Eddie POON  
Principal Assistant Secretary for Home Affairs  
(Recreation & Sports)

Mr Johnny WOO  
Assistant Director (Leisure Services) 2  
Leisure and Cultural Services Department

**Clerk in  
attendance** : Ms Doris CHAN  
Chief Council Secretary (2)2

**Staff in  
attendance** : Ms Joanne MAK  
Senior Council Secretary (2)2

Agenda item VI

Mr Watson CHAN  
Head, Research and Library Services

Mr Michael YU  
Research Officer 7

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**I. Confirmation of minutes**

[LC Paper No. CB(2)3063/03-04]

The minutes of the last meeting held on 11 June 2004 were confirmed.

**II. Information paper(s) issued since the last meeting**

[LC Paper No. CB(2)2817/03-04(01), CB(2)2843/03-04(01) and CB(2)3035/03-04(01)]

2. Members noted the following papers issued since the last meeting -

- (a) written submissions from the Chinese Hong Kong Institute of Archaeology on local archaeology work and preservation of Wan Chai Market;
- (b) letter dated 16 June 2004 from the Secretary for Home Affairs; and
- (c) the Administration's response to the final report of the Subcommittee to study discrimination on the ground of sexual orientation.

Members noted that the Parent's Association for the Implementation of Right of Abode of Mainland Children had provided a further submission on the right-of-abode issue which was tabled at the meeting. At the request of Ms Emily LAU, the Chairman agreed to discuss the submission under agenda item VII.

*(Post-meeting note: the submission was issued to members vide LC Paper No. CB(2)3097/03-04(01) dated 15 July 2004.)*

**III. Lists of outstanding issues**

[Appendices I and II to LC Paper No. CB(2)3059/03-04]

3. Members noted the lists of outstanding items for discussion and follow-up actions required of the Administration.

**IV. Further discussion on the review of advisory and statutory bodies**

[LC Paper No. CB(2)3059/03-04(01)]

4. At the Chairman's invitation, Deputy Secretary for Home Affairs (1) (DSHA(1)) briefed members on the following four interim reports -

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- (a) Interim Report No. 9 on “Diversity in appointments to advisory and statutory bodies” ;
- (b) Interim Report No. 10 on “Review of the Central Personality Index System” ;
- (c) Interim Report No. 11 on “Review of non-departmental public bodies” ; and
- (d) Interim Report No. 12 on “Proposal for the establishment of a consultative forum”.

Discussion

*Proposal for the establishment of a consultative forum*

5. Mr Albert HO expressed doubt as to the need for the establishment of the consultative forum, as the Administration’s public consultation exercises on important issues already served to solicit views of the public. Mr HO considered that what had aroused concern was the lack of broad representation in the existing advisory and statutory bodies (ASBs). Mr HO suggested that the Administration should improve the appointment system of ASBs by inviting nominees from political parties/affiliations and pressure groups which had different views from the Government for appointment to the existing ASBs. Mr HO added that although he did not object to the Administration’s proposal, he felt that it would not bring any real improvements.

6. DSHA(1) responded that the current framework of ASBs had the shortcoming that each of them had specific terms of reference and there was no forum for the discussion of general public issues. The consultative forum could provide channels for the discussion of political issues of the day and any matters of concern to the community. Moreover, members of the consultative forum would not normally be members of other ASBs as the forum sought to bring in people who were currently outside the existing network of boards and committees. DSHA(1) further said that the consultative forum was also aimed at improving another shortcoming of the current framework of ASBs, which were found to have failed to canvass and consolidate the views of business, professional and middle class people and people from academia who could not afford the time to sit on boards and committees but would still like to contribute to the discussion of public issues. To address the problem, the consultative forum would allow its members to take part in its work at any time convenient to them, since it would conduct discussions by way of the Internet and facsimile transmission.

7. DSHA(1) pointed out that the existing 500 ASBs also included members who had different views from the Government. He said that the Administration

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had tried to make sure that the members of each ASB were from a diversified background in making appointments, although there might still be room for improvement. DSHA(1) further said that the Administration would continue to ensure that different views and opinions would be reflected in various consultative forums. DSHA(1) pointed out that the Human Rights Forum under the Home Affairs Bureau (HAB) welcomed all non-governmental organisations (NGOs) and civil society organisations with an interest in human rights to attend its meetings. Another one was the Ethnic Minority Forum which comprised representatives of ethnic minorities and NGOs. HAB also had in place a roundtable meeting between the Government and NGOs for discussion of the service needs of new arrivals. DSHA(1) further pointed out that the members of all these forums were from NGOs/concern groups and not appointed by the Administration. DSHA(1) added that HAB was also planning to set up a sexual minority forum to enhance communication with the relevant groups.

8. Mr Albert HO said that he was not saying that the Administration had not appointed at all people who had different views from the Government to the existing ASBs or other boards/committees. The problem was that they had inadequate representation especially in key decision-making bodies under the existing appointment system. As regards the consultative forum, Mr HO expressed doubt as to whether the 600 members' views could really represent the diverse views of the whole community. Mr HO also queried whether this proposal would give the impression that the Administration was creating a kind of elitism and would only consult one particular group of people on important issues.

9. DSHA(1) responded that the rationale of the proposal was to establish a consultative forum to involve more middle class in the discussion of political issues and provide channels for business people, professionals and people from academia who could not afford the time to sit on boards and committees. DSHA(1) clarified that the Administration did not mean that the 600 members' views would represent the whole community. DSHA(1) said that the consultative forum would only be one out of the many consultative bodies in place to solicit views of the public.

10. Mr NG Leung-sing asked whether the Administration would consider selecting the 600 members from amongst the 800 members of the broadly representative Election Committee. DSHA(1) responded that given the purpose of the consultative forum as explained, the 800 members would not be targeted for appointment to the consultative forum as many of them were serving members of ASBs. However, Mr NG considered that any members of the Election Committee who had keen interest to participate in the consultative forum should be allowed to do so. Mr NG pointed out that the 800 members were people who had a commitment to public service. He felt that it would be a waste if the Administration did not appoint them to the consultative forum.

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DSHA(1) agreed to further consider Mr NG's suggestion.

11. In response to Mr WONG Sing-chi, DSHA(1) said that the consultative forum was aimed at nurturing new political talents for appointment to ASBs and developing their interest in participating in politics and public affairs. DSHA(1) pointed out that the consultative forum was different from other consultative bodies such as District Councils (DCs) and Area Committees in that the latter held regular formal meetings whereas the former would conduct discussions by way of the Internet and facsimile transmission. In this way, the forum would allow its participants flexibility in allocating time to its work.

12. Mr WONG Sing-chi said that since the consultative forum was aimed at nurturing new talents for appointment to ASBs, the Administration should consider appointing more than 600 persons to the consultative forum as the number "600" fell far short of the number of posts of the existing 500 ASBs. DSHA(1) responded that in the future, the Administration could increase the number of members of the consultative forum to more than 600 if necessary but as a start, it would only appoint 600 members first. Mr WONG further said that the Administration should appoint members to ASBs based on objective criteria. He felt that the Administration had failed to justify the recent re-appointment of certain members of the Equal Opportunities Commission who had already served on the Commission for more than six years.

13. In response to the Chairman, DSHA(1) said that the 600 members could come from the pool of the 22 000 entries in the Central Personality Index System or from outside.

14. Ms Emily LAU shared Mr Albert HO's concern as to how the Administration could ensure that the 600 members were representative enough and why the middle class was particularly targeted under the current proposal. Ms LAU requested the Administration to explain the criteria on which the selection of the 600 members would be based. Ms LAU pointed out that the present social discontent did not only come from the middle class. As different strata of the community also felt dissatisfied with the Government, their problems should also be addressed.

15. Ms Emily LAU took the view that political parties also played the role of collecting and reflecting different views of people to the Administration. Ms LAU said that she did not understand why the Administration had to put in place the consultative forum, as the Administration should have been able to consolidate the views of different sectors through the Legislative Council (LegCo). Ms LAU also considered that the problem actually lay with the lack of broad representation in the existing ASBs. She therefore supported Mr Albert HO's suggestion that the Administration should invite nominations from various political parties/affiliations and pressure groups for appointment to the existing ASBs to ensure a balanced composition.

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16. DSHA(1) stressed that the Administration attached importance to the views of people of all different strata of the community. It had put forth the current proposal because it found that the existing framework of ASBs failed to canvass the views of professional and middle class people who could not afford the time to sit on boards and committees. DSHA(1) explained that the proposal had targeted the professional and middle class people because these people, who were taxpayers and enjoyed relatively fewer social and welfare benefits, had been more critical of Government policies than others during the economic downturn in the past few years. Moreover, the middle class people had failed to actively express their views in the past.

17. DSHA(1) further said that the selection criteria had yet to be worked out and the Administration wished to seek members' views. Ms Emily LAU suggested that in selecting persons for appointment to the consultative forum, the Administration should take into consideration whether or not the persons concerned belonged to any active political parties or affiliations, particularly those which had won seats in councils. Ms LAU said that persons who belonged to such parties or affiliations should be regarded as more representative. Moreover, the Administration should ensure a balanced composition of the consultative forum which should be able to fully reflect different views and opinions. DSHA(1) undertook to take into consideration Ms LAU's comments.

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18. Mr MA Fung-kwok said that the rationale of the proposal was good. However, he expressed doubt as to how the Administration could take into account so many different views and opinions obtained from the consultative forum since there were as many as 600 members. Mr MA further said that the consultative forum's work was actually quite a demanding job because the members would have to give response everyday on various issues. He wondered how the Administration would be able to find these 600 members who needed to make a very great commitment to the job. Mr MA suggested that the Administration should consider opening the membership for application, other than inviting nominations from certain organisations as suggested by Ms Emily LAU.

19. DSHA(1) explained that each of the 600 members was only required to give response on any matters of interest to him/her. DSHA(1) said that the secretariat set up to service the consultative forum would monitor the discussion among members and collate the gist of the discussion. In response to Mr MA Fung-kwok, DSHA(1) said that the secretariat would only send open documents (e.g. lines-to-take on Government policies and Government press releases) to the members in the first instance and ask for their feedback. DSHA(1) explained that given the nature of those documents, there was no need to ask the members to observe any confidentiality requirements.

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20. Mr James TO said that he did not object to the proposal. However, he expressed doubt about the usefulness of the forum and how far the Administration would take into account the views expressed through it. Mr TO also criticised the Administration for being inclined to appoint predominantly persons who supported the Government to ASBs in the past few years. He asked whether the Administration intended to balance the lopsided composition of the existing ASBs with the consultative forum, which was at a lower level and therefore the Administration could afford to appoint more people with different views to it.

21. DSHA(1) responded that the Administration would like to consult the 600 members on issues relating to the formulation of a Government policy and seek their responses to any new policies formulated. He said that, as an example, the 600 members' views might be sought on whether same sex marriages should be allowed in Hong Kong. DSHA(1) said that the consultative forum was intended to be able to solicit the views of professional and middle class people who belonged to different political affiliations. DSHA(1) clarified that the Administration had not tried to appoint predominantly persons who supported the Government to ASBs. He explained that the Administration's policy was to make appointments based on the principle of merit. Regarding the appointments to statutory bodies, DSHA(1) said that the Administration had to make appointments according to the provisions on specific requirements as set out in the relevant legislation, such as expertise required to be possessed by members of the bodies concerned.

22. Mr James TO asked whether the Administration would consider enhancing the transparency of the consultative forum by putting softcopies of all the information and documents issued to the 600 members at a certain place on the Government's website for access by the public. In this way, the public could also know about the subjects on which the 600 members were being consulted. DSHA(1) agreed to consider the suggestion.

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23. Mr James TO further suggested not to restrict access to the "chat room" of the consultative forum to the 600 members but open it to the public so that any persons interested in expressing views could also participate. DSHA(1) pointed out that this suggestion seemed infeasible due to technical and resources limitations.

*Review of non-departmental public bodies*

24. Mr Albert HO said that there was rumour that the Administration was planning to take power away from statutory bodies like the Hospital Authority and the Hong Kong Housing Authority following the dissolution of the Hong Kong Sports Development Board. Mr HO asked whether the Administration had adopted such a policy.

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25. DSHA(1) responded that the Administration did not have such a policy, although Principal Officials under the rationalisation principle had a responsibility to regularly review boards and committees under their purview to see whether these bodies should be maintained, re-structured, merged or abolished. DSHA(1) further said that since statutory bodies were set up by legislation and their powers and functions were stipulated in the relevant legislation, any changes intended to be made to their powers and functions had to first be endorsed by LegCo.

26. Referring to paragraph 2 of Interim Report No. 9, Mr NG Leung-sing considered that the Administration should review whether ASBs, in performing the role of “resolving disputes between the Government and those aggrieved by government actions or decisions”, had led to increased social polarisation. Mr NG took the view that under the accountability system, the number of non-departmental public bodies should be cut down to avoid conflict of roles played by those bodies and the Principal Officials concerned.

27. DSHA(1) disagreed that the role played by ASBs as mentioned by Mr NG would contribute to social polarisation and referred to the work of certain appeal boards as examples. DSHA(1) pointed out that the existing ASBs had played a part in providing advice on government policies and allaying social discontent. Mr NG Leung-sing said that there were mediation centres in the community to deal with complaints on a wide range of matters. Mr NG asked whether consideration would be given to establishing more such mediation centres to take over the role of resolving disputes from ASBs, which had required substantial secretarial support in performing the function.

28. DSHA(1) pointed out that many existing statutory bodies were already providing mediation services to complainants who lodged complaints to them. DSHA(1) explained that appeal boards were necessary as they performed a semi-judicial function by adjudicating on appeals. They provided a way of resolving disputes in certain areas between private citizens and the Government (or a public body set up by the Government) which was less formal than the court system. However, if the aggrieved party was not satisfied with the decision made over his appeal by an appeal board, he could still take his case to the court to seek judicial review. DSHA(1) pointed out that this three-tier mechanism, including the provision of mediation services, adjudication on appeals and judicial review, was necessary.

*Diversity in appointments to advisory and statutory bodies*

29. Referring to Interim Report No. 9, Ms Emily LAU requested information on the percentages of total membership of the existing ASBs taken up respectively by people with a disability and by members of ethnic minorities. DSHA(1) agreed to provide the information later.

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*Disclosure of affiliations to political parties in Hong Kong or political organisations by persons appointed to ASBs*

30. Referring to Interim Report No. 10, Ms Emily LAU took the view that the Administration should encourage persons appointed to ASBs to disclose their party membership or political affiliations. She hoped that the new initiative to facilitate such disclosures as proposed in that report could be implemented as far as possible.

*The six-year rule and six-board rule*

31. Referring to Interim Report No. 11, Ms Emily LAU said that the numbers of cases in breach of the above rules were far from satisfactory. She urged the Administration to improve the enforcement of the rules. DSHA(1) responded that the Administration had been striving to seek improvements. He pointed out that all bureaux and departments had given particular attention to the problem and had tried to avoid breaching the rules in making appointments as far as possible. He undertook that the Administration would maintain its efforts in seeking further improvements.

*Miscellaneous*

32. Referring to paragraph 6 of Interim Report No. 9, Mr WONG Sing-chi asked the Administration to clarify whether the figure “5,652” represented the number of individuals or the number of posts. DSHA(1) undertook to clarify in writing afterwards.

*(Post-meeting note: the Administration clarified in writing on 16 July 2004 that the figures in paragraph 6 of Interim Report No. 9 referred to the number of individuals serving on ASBs.)*

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33. As proposed by Ms Emily LAU, the Panel agreed that this item should be included on the list of outstanding items for discussion. The Chairman said that members were concerned about whether the 600-member consultative forum would be able to reflect the diversified views of people and requested the Administration to take into consideration members’ views and comments.

**V. Progress report on the Centre for Youth Development Project**  
[LC Paper No. CB(2)2324/03-04(02)]

34. At the Chairman’s invitation, DSHA(1) briefed members on the salient points of the Administration’s paper.

35. Mr NG Leung-sing considered that the provision of facilities at the Centre for Youth Development (CYD) project had to cater for the interest of

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the youth in order to attract them to use the CYD. Referring to paragraph 4 of the paper, Mr NG queried why no sports facilities had been planned for the CYD and whether the information technology (IT) centre was really necessary given the fact that most families had personal computers now. Referring to paragraph 10 of the paper, Mr NG supported that the Administration should re-consider the long-term mode of operation of the CYD to maintain its financial sustainability. He said that the estimated recurrent shortfall of more than \$90 million over the first 10 years of operation was a considerable sum of money and should be avoided.

36. DSHA(1) responded that the Administration had decided to commission a consultancy study to review the provision of facilities at the CYD to see what adjustments should be made to ensure that they could attract young people to use them and at the same time would be able to cater for youth development needs and operate on a self-financing basis. On the provision of sports facilities, DSHA(1) said that consideration could be given to providing a fitness centre at the CYD although many sports facilities were already being provided by the Leisure and Cultural Services Department (LCSD) in the vicinity. DSHA(1) added that the originally planned IT centre probably could not operate on a self-financing basis, because it was anticipated that the market demand was not large.

37. DSHA(1) further said that the original plan was to set up a limited company, with its board of directors appointed by the Government, to manage and operate the CYD on a self-financing basis. DSHA(1) pointed out that, however, if the limited company only put emphasis on youth development needs without giving due regard to principles of commercial operations, a recurrent shortfall of operating costs would probably arise. Therefore, the review was also to assess the feasibility of constructing, financing, operating and maintaining the CYD through an appropriate public-private partnership approach.

38. Mr NG Leung-sing said that the Administration should set a timetable for the construction of the CYD since it had already dragged on for many years and many planned facilities would become outdated by the time of completion. Mr NG also asked whether the consultancy study would make recommendations which would significantly change the original project scope and design of the CYD.

39. DSHA(1) responded that although there might be some changes to the mix of facilities on each storey, there should not be substantial changes to the overall design of the CYD. DSHA(1) said that as soon as a decision was made on how to revise the architectural plans, the construction works could resume. DSHA(1) said that the implementation of the project would be behind schedule by a few months only. Chief Project Manager (CPM) of the Architectural Services Department said that the piling and basement works for the CYD had

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been completed at the end of December 2003. He said that minor changes could be made to the layout of each storey with the exception of the auditorium at the basement level and the youth hostel. He informed members that the tender procedure for super-structure contract of the project had been completed and, if only minor changes were made to the architectural plans, the construction works were expected to resume within two to three months subject to approval of the tender by Central Tender Board. The construction time would be about 24 months.

40. Ms Emily LAU expressed strong dissatisfaction with the Administration's handling of the CYD project. She said that when the Finance Committee (FC) discussed the proposal on this project in October 2001, some Members had already expressed strong reservations about it. However, the Administration had failed to take into account the dissenting views expressed by those Members and had insisted on submitting the proposal for funding approval. Ms LAU said that the estimated capital cost (\$750.9 million) of the CYD was very substantial, and she was worried that the CYD would turn out to be a white elephant. Ms LAU said that the Administration should keep LegCo informed of the arrangements for the development of the project and the progress and seek members' advice on important issues. She further said that the Administration's paper was too brief and requested the LegCo Secretariat to provide a background paper for future discussion on the subject. Referring to paragraphs 11 to 13 of the Administration's paper, Ms LAU asked for details of the Steering Committee on the CYD, such as its membership and views on the contracting out proposal.

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41. DSHA(1) responded that the Steering Committee under his chairmanship comprised representatives from relevant Government departments, Eastern District Council, the Board of Management of the Chinese Permanent Cemeteries, the Commission on Youth and various youth groups. DSHA(1) said that the Steering Committee had expressed reservations about the contracting out arrangements proposed by the Administration. The Steering Committee remained in support of the originally planned Limited Company model. In response to Ms Emily LAU's enquiry, DSHA(1) said that the cost of the consultancy study was about \$1.2 to \$1.3 million.

*(Post-meeting note: the membership list of the Steering Committee is attached in the Appendix.)*

42. DSHA(1) further said that when FC discussed the proposal, there was general consensus that the CYD project would not be profit-making. He pointed out that according to a preliminary financial viability study carried out in 2000-01, the CYD should be able to remain financially sustainable during the first 10 years of operation without the need for the Government to incur recurrent expenditure on its day-to-day operation and maintenance. DSHA(1)

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explained that the proposal submitted to LegCo in 2001 had been that the combination of facilities at the CYD as set out in paragraph 4 of the paper comprised those which would generate profits as well as those which would incur a loss. The Administration had assessed that the profits derived would be enough to cross-subsidise the cost of operating those facilities which were known to be not commercially viable. DSHA(1) pointed out that however, given the significant changes in the economic conditions in Hong Kong since 2000-01 when the original financial assessment was made, especially the decline of the property market, the economic assumptions used in the assessment were no longer applicable. DSHA(1) said that the Administration now intended to make reference to overseas experience and the latest market situation, to review the combination of the proposed facilities at the CYD with a view to ensuring that the CYD could cater for youth development needs and operate on a self-financing basis.

43. Ms Emily LAU asked whether there was still room for adjustments to be made to the architectural plans to accommodate any necessary new changes. DSHA(1) said that as pointed out by CPM, changes could be made to the layout of all the storeys of the CYD with the exception of the basement and the youth hostel.

44. Mr WONG Sing-chi considered that the problem with the CYD had nothing to do with the economy, as the economic downturn had already started in 2000. Mr WONG said that the Administration had made a wrong assessment on the financial viability of the project and its positioning. Mr WONG further said that as the Democratic Party (DP) had pointed out in 2001, the location of the CYD in an old district like Chai Wan was far from desirable. DP was of the view that the CYD would actually become a club for the rich elitists and used for organising training workshops, cultural exchanges, etc. Mr WONG pointed out that DP had also raised concern about the substantial capital cost of the CYD and whether the CYD could really attract so many users to break even. Mr WONG said that in fact, Members belonging to DP had voted against the proposal at the relevant meetings of the Public Works Subcommittee and FC as they had great reservations about the financial viability of the project. Mr WONG requested the Administration to provide all the information and data based on which the conclusion that the CYD should be able to remain financially sustainable in the first 10 years of operation had been drawn.

45. DSHA(1) responded that the initial financial viability study in 2000-01 was carried out by a consultancy firm commissioned by the Administration. The study had been conducted using information and data obtained in 1998. The assessment made had been submitted to FC, which had granted funding approval to the project in November 2001. DSHA(1) agreed to provide the results of the initial financial viability study as well as the new one when it was completed. Mr WONG Sing-chi said that in 2000, the responsible Government

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officials should have been aware that the economic situation of Hong Kong had changed a lot since 1998 and should not have still accepted the projections made in the assessment which were based on information and data obtained in 1998. He said that he would follow this up after receipt of the relevant information.

46. Mr WONG Sing-chi further asked whether any estimate had been made as to the loss that would be incurred if the Administration gave up the CYD project and provided community centres at various districts for organising activities for young people instead. DSHA(1) responded that the piling and basement works for the CYD had cost about \$110 million. DSHA(1) explained that the Government would have to reinstate the site if it was to be sold to private developers, and in that case about an additional \$30 to \$40 million would have to be spent.

47. Mr WONG Sing-chi urged the Administration to estimate the recurrent financial implications for the Government and decide whether it should still proceed with the project. DSHA(1) pointed out that if it was agreed that the management and operation of all the facilities of the CYD were contracted out, actually many NGOs and other organisations had expressed willingness to run the centre, shoulder all the costs and even pay a rent to the Government. DSHA(1) explained that the crux of the matter was that if the originally-intended mode of operation and management of the CYD was to be used, which allowed little flexibility for the operator to respond to changing demand patterns, it was envisaged that the CYD could incur a substantial recurrent deficit in its day-to-day operation and maintenance.

48. The Chairman said that since FC had approved funding for the proposal, discussion on the desirability of the CYD should not be re-opened. The Chairman further said that the crux of the matter now was the mode of management and operation of the CYD. To facilitate members' consideration of this, the Chairman and Ms Emily LAU requested the Administration to provide detailed information, including the response of NGOs and other organisations to the offer of running the centre, the views expressed by the Steering Committee on the contracting out arrangements, and problems anticipated to arise under the Limited Company model, in the following legislative term. DSHA(1) agreed.

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49. Ms Emily LAU asked why the Administration had to spend extra money to commission another consultancy study. DSHA(1) explained that the consultancy firm currently engaged to conduct the study possessed relevant international experience and its strength was in the area of financial and business management. The Administration considered that the consultancy firm's expertise would help draw up useful recommendations on how the CYD could achieve financial sustainability.

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50. Mr MA Fung-kwok agreed with the Chairman that the Panel should focus its discussion on the mode of management and operation of the CYD rather than the desirability building of a CYD. Mr MA commented that since the location of the centre was in the vicinity of MTR station, the CYD project should be financially viable and there was no need for the construction works to come to a halt. He suggested that the Administration could proceed with the works and for any floor areas the use of which had yet to be decided, they could be left vacant until it was decided how they could be best used. Mr MA further said that as there was a rising trend for exchange programmes to be organised for Hong Kong and Mainland young people, there would be a great demand for youth hostel rooms. He was worried that the planned 150 hosted rooms might not be enough and suggested that the Administration should consider increasing the number.

51. Miss CHOY So-yuk urged the Administration to resume the construction works as soon as possible because the community centre in Chai Wan had already been demolished and the CYD had been long awaited.

52. Mr WONG Sing-chi expressed disagreement that the superstructure works of the CYD should proceed. Mr WONG said that if the management and operation mode of the centre deviated from that proposed to FC in 2001, the Administration should submit a fresh proposal to FC to seek its approval again. Mr WONG also disagreed with Mr MA Fung-kwok's comment that there was a great demand for youth hostels. Mr WONG pointed out that many universities and institutions were already organising such exchanges with the Mainland, making use of their own student hostels to meet the accommodation needs.

53. The Chairman said that the Administration should provide the requisite information early in the new legislative term for the consideration by the Panel. DSHA(1) agreed to follow up.

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**VI. Research report on "The Economic and Social Impacts of Hosting Selected International Games"**

[RP07/03-04]

54. Head, Research and Library Services gave a Powerpoint presentation on the research report.

55. Mr NG Leung-sing asked about the income expected to be derived from advertisements in hosting the 2009 East Asian (EA) Games. Noting that the Government planned to underwrite 49% of the total operating cost of running the 2009 EA Games, Mr NG asked whether or not the percentage was on the high side compared with other international games. Mr NG also asked whether

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the Government had set a ceiling on the amount of deficit that the Government was going to underwrite.

56. Principal Assistant Secretary for Home Affairs (Recreation & Sports) (PAS(R&S)) responded that the income estimated for hosting the 2009 EA Games had been set out in the Administration's paper previously submitted to the Panel in June 2003 (File Ref:HAB/CS/CR 6/8/108). The Administration anticipated that the income generated from various sources would be in the region of \$87 million, of which \$30 million would come from sponsorship and \$25 million from television rights.

57. PAS(R&S) said that as set out in the research report, government financial support in the 1997 and 2001 EA Games, the 2002 Asian Games and the 2002 Commonwealth Games accounted for 41% to 63% of the total income generated.

58. PAS(R&S) further said that as set out in its paper, the Administration expected that the hosting of the 2009 EA Games would result in an anticipated deficit of \$84 million based on its preliminary estimate. The Administration would monitor and update the financial requirement as the planning work progressed. The Administration could not confirm now the ceiling on the amount of deficit that the Government was going to underwrite. However, it would submit an updated estimate of the expenditure and income items to LegCo on a later stage.

59. Referring to paragraphs 6.1.5 to 6.1.7 of the research report, the Chairman said it was noted that a host city, in organising international games, would benefit more in terms of GDP growth if it invested more aggressively in infrastructure development. The Chairman asked whether the 2009 EA Games would only bring limited economic benefits since Hong Kong did not invest relatively a great amount to infrastructure development for the event.

60. PAS(R&S) responded that given its current budgetary situation, the Government would only make moderate investment to host the EA Games. PAS(R&S) explained that in deciding to apply for hosting the EA Games, economic benefits generated by the event was not the Government's prime consideration. PAS(R&S) said that the Government hoped that by hosting the EA Games, Hong Kong could achieve purposes such as raising its prestige and profile in the region, promoting its image as a world city for hosting international events, fostering its sporting culture, building social cohesion, etc. which were all non-economic benefits.

61. Ms Emily LAU asked whether the sports facilities and venues in Hong Kong were up to the international standard for holding the respective competition events. Assistant Director (Leisure Services) 2 of LCSD responded that the Administration had conducted an assessment and considered

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that the existing sports facilities were basically adequate for hosting the EA Games, although minor improvements might be required for some venues (e.g. temporary seats had to be provided).

**VII. Any other business**

62. Ms Emily LAU asked whether the Panel would send a letter to the Parent's Association for the Implementation of Right of Abode of Mainland Children in response to its further submission on the right-of-abode issue.

63. The Chairman said that on his instruction, the Clerk had written to the Association on 29 June 2004 explaining how the Panel had followed up their request for a motion on the right-of-abode issue to be moved at a Council meeting and how the Panel came to the decision that such a motion would not be moved based on the reply slips received from members. The Chairman said that he had suggested to the Association that he could meet with them after the meeting, but the Association had replied that this would not be necessary as the Complaints Division had already scheduled a case conference for them to meet with Members and the Administration.

64. In concluding the meeting, the Chairman thanked members for their contributions to the work of the Panel and the Secretariat staff for their assistance.

65. The meeting ended at 1:05 pm.

Council Business Division 2  
Legislative Council Secretariat  
7 September 2004

附錄  
Appendix

興建青年發展中心督導委員會委員名單

民政事務局副秘書長(主席)	余志穩先生
民政事務局首席助理秘書長	梁悅賢女士
	李家祥先生
	黃英豪先生
	陳錦祥先生
	何淑賢女士
	李宗德先生
	蔡元雲醫生
	華永會代表(2名)
東區區議員	鍾樹根先生
東區區議員	龔栢祥先生
衛生福利及食物局代表	張淑婷女士
東區民政事務專員	曹振華先生
建築署代表	李玉勝先生
民政事務局助理秘書長	郭嘉寶女士
民政事務局高級行政主任(秘書)	呂秀芳女士