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Legislative Council

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Finance Committee of the Legislative Council

**Minutes of the 14th meeting
held at the Legislative Council Chamber
on Friday, 23 June 2006, at 2:30 pm**

Members present:

Hon Emily LAU Wai-hing, JP (Chairman)
Hon CHAN Kam-lam, SBS, JP (Deputy Chairman)
Hon James TIEN Pei-chun, GBS, JP
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon LEE Cheuk-yan
Hon Fred LI Wah-ming, JP
Dr Hon LUI Ming-wah, SBS, JP
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon CHEUNG Man-kwong
Hon CHAN Yuen-han, JP
Hon Bernard CHAN, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon LEUNG Yiu-chung
Dr Hon Philip WONG Yu-hong, GBS
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Howard YOUNG, SBS, JP
Dr Hon YEUNG Sum
Hon LAU Chin-shek, JP
Hon LAU Kong-wah, JP
Hon LAU Wong-fat, GBM, GBS, JP
Hon Miriam LAU Kin-ye, GBS, JP
Hon CHOY So-yuk, JP
Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP

Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, BBS, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Albert CHAN Wai-yip
Hon Frederick FUNG Kin-kee, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon Vincent FANG Kang, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon LI Kwok-ying, MH
Dr Hon Joseph LEE Kok-long
Hon Daniel LAM Wai-keung, BBS, JP
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Dr Hon KWOK Ka-ki
Dr Hon Fernando CHEUNG Chiu-hung
Hon CHEUNG Hok-ming, SBS, JP
Hon WONG Ting-kwong, BBS
Hon Ronny TONG Ka-wah, SC
Hon CHIM Pui-chung
Hon Patrick LAU Sau-shing, SBS, JP
Hon Albert Jinghan CHENG
Hon KWONG Chi-kin
Hon TAM Heung-man

Members absent:

Hon Martin LEE Chu-ming, SC, JP
Dr Hon David LI Kwok-po, GBS, JP
Hon James TO Kun-sun
Hon SIN Chung-kai, JP
Hon WONG Yung-kan, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon MA Lik, GBS, JP

Public officers attending:

Mr Frederick MA Si-hang, JP

Secretary for Financial Services and the
Treasury

Mr Alan LAI Nin, GBS, JP

Permanent Secretary for Financial Services
and the Treasury (Treasury)

Miss Amy TSE, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Alfred FOK	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Miss Elizabeth TSE, JP	Director of Administration
Mrs Susan MAK, JP	Deputy Director of Administration
Mr Sidney CHAN	Assistant Director of Administration
Mr C H YUE, JP	Director of Architectural Services
Mr Peter K T YUEN	Project Director of Architectural Services Department
Dr Michael CHIU Tak-lun, JP	Acting Director of Environmental Protection
Mr Elvis AU	Assistant Director (Environmental Assessment) of Environmental Protection Department
Mr Lawrence KWAN	Chief Engineer (Traffic Engineering (Hong Kong)) of Transport Department
Ms Phyllis LI	Chief Town Planner (Special Duties) of Planning Department

Clerk in attendance:

Ms Pauline NG	Assistant Secretary General 1
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Staff in attendance:

Miss Becky YU	Chief Council Secretary (1)1
Mrs Mary TANG	Senior Council Secretary (1)2
Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Mr Frankie WOO	Legislative Assistant (1)2

Action

Item No. 1 - FCR(2006-07)16

**RECOMMENDATIONS OF THE ESTABLISHMENT SUBCOMMITTEE
MADE ON 1 JUNE 2006**

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

Item No. 2 - FCR(2006-07)17

RECOMMENDATIONS OF THE PUBLIC WORKS SUBCOMMITTEE MADE ON 29 MAY 2006

2. The Chairman put FCR(2006-07)17 except PWSC(2006-07)15 to the vote. The Committee approved the proposal.

PWSC(2006-07)15 63KA Tamar Development Project

3. Ir Dr Raymond HO declared interest as an independent non-executive director of a company which might be participating in the tender for Tamar Development Project. Mr Patrick LAU declared interest that that he had taken part in the design of the Legislative Council Complex (LCC).

Preservation of Government Hill

4. Dr YEUNG Sum said that Members of the Democratic Party (DP) were concerned about the need for heritage preservation and protection of buildings with historical value. They held the view that the Government Hill (being the centre of authority for a long time) should be conserved together with other nearby developments, such as the Government House, the Central and Western Police Station and the Hollywood Police Staff Quarters etc, which bore great significance to Hong Kong in terms of history and architecture to form a comprehensive Government Hill heritage preservation zone. The proposed conservation project could be developed as a tourist/cultural attraction to bring about economic benefits to Hong Kong. Besides, the preservation of the Government Hill could help to scale down the development of the Tamar Project to allow for more spaces for the enjoyment of the public at the Central waterfront. He said that DP Members would strongly oppose to any proposal which would involve the change of land use of the Government headquarters site and/or the sale of the land to private developers for commercial development. He enquired about the Administration's stance on the preservation of the Government Hill and whether there were any plans to redevelop the site for commercial use.

5. The Director of Administration (D of Adm) said that while a decision on the use of the vacated Government headquarters site upon its reprovisioning to the Tamar site had yet to be made, the Administration would adopt an open approach in considering the future use of the site taking into account the environmental and traffic impact assessments as well as the need for heritage and cultural preservation. In the event that the proposed future use of the Government headquarters site deviated from its present "Government, Institution and Community (G/IC)" zoning, an amendment to the zoning on the Outline Zoning Plan (OZP) would be required and the agreement of the Town Planning Board (TPB) would need to be sought in accordance with the statutory planning procedures under the Town Planning (Amendment) Ordinance (Cap.131). These procedures would include, inter alia, exhibition of the proposed amendment to OZP for public inspection, consideration of public representations and

comments by TPB, and approval of the amended OZP by the Chief Executive (CE) in Council. As regards the proposed development of a heritage preservation around the Central Government Offices (CGO) and Garden Road, D of Adm advised that the Tourism Commission would consider taking forward the proposal.

6. Given that the discussion on reprovisioning of the CGO was commenced as early as 1998, Ms Audrey EU questioned why the Administration was still unable to disclose its plans for the Government Hill after vacation of the Murray Building (MB) and CGO. D of Adm explained that the Administration would proceed with the planning of the Tamar Project in a progressive manner pending funding approval for the Project. Once funding was approved, active consideration would be given to the future use of the MB and CGO sites.

7. Mr Alan LEONG said that Members of the Civic Party (CP) held the view that CGO and MB should be refurbished for more effective use. D of Adm said that the option of refurbishing CGO and MB had been considered in 2002. Compared to the reprovisioning of the government secretariat to Tamar, the option of refurbishment of CGO and MB would take four more years to complete. In addition, as staff would have to be relocated during refurbishment works, a lot of administrative difficulties were anticipated. Besides, if the Administration were to revert to the refurbishment option, new feasibility and planning studies would have to be conducted, rendering the efforts made in the past eight months in the planning for the Tamar Project futile and further delaying the entire reprovisioning project.

8. Mrs Selina CHOW however pointed out that she failed to see the need for preserving CGO and MB, both of which were of no historical value but occupying prime sites worth over \$10 billion. Members of the Liberal Party (LP) were of the view that it would be a waste to public resources if these buildings were to be used as Government offices. It was hoped that the Administration would be open to any suggestions from the public as to how the sites would be used. Mr Albert CHAN echoed that CGO and MB had no historical value for preservation. Ir Dr Raymond HO also said that CGO and MB, which had been in operation for over 45 and 35 years respectively, had physical constraints for major alteration or refurbishment to be made in an efficient and cost-effective manner to meet present-day requirements in respect of information technology, telecommunications and electronics.

9. In response to Ms Audrey EU's enquiry on the space entitlement of the staff who would be moving to the Central Government Complex (CGC) at the Tamar site, D of Adm said that the proposed space allocation for CGC was in line with prevailing space entitlement standards for civil servants, ranging from, say, 4.1 square meters (m²) for clerical staff to 19 m² for directorate grade staff.

10. Referring to Enclosure 5 to PWSC(2006-07)15, Dr Fernando CHEUNG noticed that as compared to the projections made in 2003, there had been an increase in accommodation for the CE's Office at CGC despite the reduction in floor area for

CGC. D of Adm explained that the projections on the area required in new CGC for the CE's Office made in 2003 and 2006 were 1 566 m² and 1 580 m² respectively. The minor changes were made to rationalize the latest space entitlement for staff that had not been taken into account under the 2003 computation. The floor area for offices of Bureaux at CGC had been reduced by about 1 000 m² with the shared use of common and ancillary facilities.

Public consultation

11. Mr CHEUNG Hok-ming said that the Tamar Project had been deliberated at length, and that the Administration had responded to public views and revised the Tamar Project where possible. While Members of Democratic Alliance for Betterment and Progress of Hong Kong (DAB) had initially suggested the reprovisioning of the Government headquarters to South East Kowloon as an alternative, they were pleased that the Administration had responded positively to DAB's views and had also addressed their concerns about using the Tamar site, such as blockage of the harbour view, the associated traffic impact, the availability of Central waterfront spaces for the enjoyment of the public and the need for creation of job opportunities etc. DAB Members noted that the Administration had revised the scale of development of the project as a result. In the meantime, the Administration had also agreed to expedite the redevelopment of South East Kowloon and consult the public on the future development of the site. Mr CHEUNG considered it necessary for the Administration to report the progress of the Tamar Project to the relevant Panels on a regular basis. D of Adm assured members that the views of the Legislative Council (LegCo) would be sought as it was one of the users of the complex. The LegCo Commission would also participate in the planning of the Tamar Project to ensure that public resources were well spent.

12. Dr Fernando CHEUNG said that he failed to see the need for building the Government headquarters at the Tamar site. According to a design model provided by Ms Christine LOH, the building complexes at the Tamar site would be very congested with poor air circulation. There was also concern about insufficient open spaces to allow for public assemblies/demonstrations similar to what was provided at CGO and the LegCo Building. He enquired whether consideration could be given to reprovisioning CGO to Cyberport where the supply of office spaces was abundant. D of Adm said that she was not in a position to comment on the proposed use of office spaces at Cyberport for the reprovisioning of CGO, which had not been subject to detailed feasibility studies and public consultation. While she was unsure about the design model referred to by Dr CHEUNG, she assured members that care would be taken to ensure that all user requirements would be met in designing LCC, CGC and the open spaces.

13. As the public were not aware of the progress of the Tamar Project, Mr Ronny TONG held the view that it would be more appropriate for the Administration to make available details of the reprovisioning plans for the Project and the preservation plans for the Government Hill before proceeding to seek funding

approval for the \$5.2 billion project from the Finance Committee (FC). D of Adm said that there were many opportunities for the public to express their views on the Tamar Project. The project, which was relaunched in October 2005, comprised CGC, LCC, open spaces and associated facilities. The Administration had followed the established consultation procedures and had consulted LegCo, Central and Western District Council, political parties and interested organizations on the proposed project during the past eight months. A total of eight meetings with the Panel on Planning, Lands and Works (PLW Panel) and the Subcommittee to Review the Planning of the Central Waterfront (including the Tamar Site) (the Subcommittee) were held and the subject was also deliberated at length by the Public Works Subcommittee (PWSC). There had been adequate exchange of views and the relevant information had already been made public. D of Adm added that the design of the project had been revised taking into account the views gathered. As a result, the height restriction of the Tamar Project had been tightened, the development density had been reduced and the space requirement of CGC had been trimmed by 10%. The design would also be compliant with the Harbour Planning Principles formulated by the Harbour-front Enhancement Committee. Given the unique nature of this iconic landmark project of Tamar, the Special Selection Board (SSB) for the Tamar Project had agreed that the design models received at the tender stage would be displayed to the public for viewing and comments.

14. Referring to CE's previous statement that the Tamar Project would be a "people's project", Mr Alan LEONG said that CP Members would request the Administration to postpone the funding proposal for a period of three months to enable a more extensive public consultation, particularly when a two-month consultation on the South East Kowloon Development (SEKD) had just begun. Noting that 60% of the interviewees in a survey had requested for public consultation on the Tamar Project, Miss TAM Heung-man said that she failed to see why the Administration should not accede to such a request unless it had canvassed sufficient number of votes for the project. She said that a further three-month public consultation would not delay the project, which could be submitted to FC well in time at its first meeting in the next legislative session. Mr LEUNG Kwok-hung echoed the need for public consultation in particular when the Administration had only consulted LegCo and the Central and Western District Council (DC), but not the remaining 17 DCs nor the general public. He requested that the Administration should allow for a further consultation period of six months before seeking funding approval for the Tamar Project.

15. D of Adm said that the scale of the Tamar Project of 4.2 hectares was much smaller than that of SEKD. She added that the Project was upgraded to Category B in September 1998 when the proposal of re-provisioning of CGC at the Tamar site was first raised. This was followed by public consultation at the planning stage which had lasted for almost two years with no objection received. The conceptual stage of the Tamar Project started in April 2002 after a decision was made by the Executive Council. The scope of the Project then decided included the proposed CGC, LCC, Exhibition Gallery, Civic Place and other related facilities. The project was put on

hold in 2003 as a result of the outbreak of the Severe Acute Respiratory Syndrome but was relaunched in October 2005, to be followed by a series of discussions held on different aspects of the project. The Tamar Project should now be ready for implementation and it was hoped that funding approval could be obtained so that the tender process could proceed as expeditiously as possible. The public would be able to offer their comments when the design models were displayed for public viewing upon close of tender. Hence, further consultation on the development concept of the Tamar Project would not be necessary at this stage.

16. Mr Alan LEONG said that while the Tamar Project was relaunched in October 2005, it was only in February 2006 when Members were first given information on the Project. More information was only made available subsequently upon request by Members, who were then heavily burdened with the concurrent scrutiny of a large number of major bills. Given that the findings of a recent survey revealed that 60% of interviewees had requested for more information before the Project could be proceeded with, he failed to see the rationale for approving the funding proposal before the public were allowed to view the design models. He further pointed out that there would be limited scope for changes if the design models were submitted at the tender evaluation stage.

17. D of Adm responded that the Tamar Project had been deliberated at eight meetings of the PLW Panel and the Subcommittee and subsequently discussed and supported by PWSC before submitting to FC for funding approval. Since the Project would be implemented under the Design-and-build (D&B) approach, funding approval had to be sought before tendering for the project could proceed. As regards viewing of the design models before funding approval, D of Adm explained that exhibition of prequalification stage design models was not possible because tenderers were allowed to make changes to the models before final submission of tenders. Hence, the Administration would need to work out the details to ensure that while public interest would be taken into account on the one hand, the integrity and fairness of the tender process would not be compromised on the other.

18. Given the many self-imposed restrictions under the D&B approach which rendered prior consultation on the design of the project not possible, Mr Alan LEONG suggested that instead of adopting the D&B approach, consideration could be given to hosting a design competition and inviting tenders to construct the winning design. D of Adm said that the D&B approach was commonly adopted in major public projects.

19. Mr Albert CHAN remained of the view that the scope of changes to the design models was very limited once the tender process had started. As such, the Administration would give the public the impression that public views were welcome even after funding approval was given. He did not believe the Administration would accept dissenting views as it had already secured the support of major political parties. D of Adm said that public views would be collected to assist in the consideration of the designs submitted. Clear rules would be laid down so that the public would not

have any false expectation and tenderers would know how the public viewing would affect them. She said that an independent consultant would be engaged to carefully work out details of the public viewing exercise.

20. The Chairman referred to the CE's remark that the Tamar Project would be a "people's project". She enquired whether the Administration had any information on the percentage of public support for the project. D of Adm said that the Administration was more concerned about public aspirations for the Tamar Project rather than the percentage of support for the project. It had been studying the outcome of surveys on the Tamar Project as well as public expectations. Positive response had since been made to address public concerns raised over the past eight months. Public consultation would be ongoing after funding approval was given. It was hoped that the design models could be made available for public viewing and comments as soon as possible.

21. Dr KWOK Ka-ki expressed dissatisfaction that instead of using \$5.2 billion for public facilities, the Administration intended to use the money for reprovisioning the Government headquarters for use by CE and his team of civil servants. Besides, the Administration had failed to provide adequate information on the Tamar Project nor address the objections raised. While the Administration claimed to have consulted the relevant Panels and DCs, he was aware that there had not been unanimous support from any DC. According to the minutes of meetings of some DCs, quite a number of DC members had expressed reservations on the project. He also requested the Administration to produce evidence in support of its claim that 70% of the public were supportive of the Tamar Project. According to his understanding, a recent media survey had indicated that 87% of interviewees did not support the project. He further pointed out the following motion was passed by the Subcommittee at its meeting on 3 April 2006 -

"That, as the Government has yet to give a clear account of the future arrangements and planning for the existing central government offices, conduct afresh an environmental impact assessment of credibility for the Tamar development project and explain in clear terms the urgency and need for a new central government complex at the Tamar site, the Subcommittee does not support the development of a new central government complex at the Tamar site."

22. In reply, D of Adm reiterated that there had been adequate public consultation on/participation in the Tamar Project in the past eight months. The Administration had conducted assessment and analysis on public aspirations on Tamar and had gathered views through the media. While the outcome of individual surveys differed, there were reasons to believe that the project had been widely accepted by the public. Besides, the Administration had responded positively to the views put forward and revisions had been made to the scope of the Tamar Project.

Viewing of design models

23. Noting that prior approval for the funding of \$5.2 billion for the Project had to be given under the D&B approach, Dr Fernando CHEUNG was concerned that LegCo, as a user of the Complex, did not have any idea about the design of LCC which was a building of constitutional importance. D of Adm explained that the Administration would proceed to invite tenders for the project after the estimated expenditure for the Tamar Project was approved by FC. The views of the LegCo Commission would be sought on the user requirements of LCC and these would be clearly set out in the tender documents. Efforts would be made to ensure that the selected tender would meet with user requirements. Mrs Selina CHOW said that FC members were well aware of the funding procedures for D&B projects where funding approval had to be given before the tender process could proceed.

24. On viewing of design models, D of Adm advised that in devising a fair and effective mechanism for the collection and interpretation of public views, the Administration would invite the Corruption Prevention Department of the Independent Commission Against Corruption to advise on and observe the arrangements of public viewing of the design models to ensure that the process was fair and clean. SSB would take into account public views received in assessing the tenders.

25. While welcoming the Administration's agreement to display the design models for public viewing and comments, Mr LEE Wing-tat said that there was a need to arrange for "focus group" discussions on the design of the Tamar Project by architects, designers and surveyors. D of Adm said that while discussions with building professionals could be considered, it was the Administration's intention to engage an independent consultant to organize the public viewing. The consultant would advise on the appropriate ways of displaying/exhibiting the tender designs, collating and interpreting the public views received and other logistical arrangements, such as the layout of the venue and distribution of promotional pamphlets. It would also present a summary of views collected to SSB.

26. Ir Dr Raymond HO said that Members of the Alliance would support the proposal which was first submitted to PWSC for consideration on 7 May 2003 but was later put on hold. He noted that the design had been suitably revised taking into account public views and changes were made to protect the ridgeline and increase the open spaces. The reprovisioning of the Government headquarters to the Tamar site rather than South East Kowloon was preferred as the rail network of the latter had yet to be developed which might delay the project for years. Besides, the centralization of Government operation at CGC and the heritage preservation of Government Hill would be beneficial to Hong Kong. The project also had the support of the construction industry as it would create job opportunities for the many unemployed construction workers. It was a pity that the Tamar site, along with other sites in South East Kowloon and West Kowloon, had been left vacant and undeveloped for years. While he would welcome public viewing of design models during the tender

evaluation process, he enquired about the measures which would be taken to ensure the integrity of the tendering process taking into account the well established international practice in D&B projects.

27. D of Adm said that the Administration attached great importance to the need for fairness in the tendering process to protect the interest of tenders. While it was the Administration's intention that the design models as submitted by tenderers would be displayed for public viewing, exact details of public viewing would have to be worked out to ensure impartiality. Subject to funding approval, SSB would be invited to consider details on the tender evaluation process, including how public views could be gauged. SSB would remain the sole authority for assessing tenders and awarding the contract. SSB members would exercise their independent judgment in assessing whether the designs could meet the design parameters of the project, taking into account views expressed by the public.

28. Miss TAM Heung-man noted that the Society for the Protection of the Harbour had requested for the final tender specifications to be made available to the public before funding approval for the Tamar Project should be given. She asked if this could be acceded to. She also enquired about the criteria for selection of tender and whether costs would be an overriding factor in the selection process. D of Adm explained that the selection criteria would be worked out by SSB and would include, among others, project cost, construction methods, compliance with user requirements, energy efficiency, environmental considerations, repair and maintenance, schedule of completion, safety aspects, quality assurance, and design of superstructure.

Project cost

29. Mr James TIEN said that LP Members had all along supported the implementation of the Tamar Project which would allow for the development of CGC and LCC at the Tamar site. The proposal was not only conducive to operational efficiency, but could also result in savings such as transportation arrangement for Government officials for attending LegCo meetings since LCC was within walking distance. The proximity of the two complexes might have the added advantage of improving the relationship between the Administration and the Legislature. Referring to the rise in capital cost of the project from \$4,800 million in 2003 to \$5,168.9 million in 2006, he noted that this was attributed to the inclusion of a contingency of \$413.4 million and provisions for price adjustment of \$331.5 million, amounting to \$745 million, which in his view might not be necessary as there might be some over-estimations, particularly on the costs for pedestrian footbridges and offices. He requested the Administration to disclose the project cost after completion of the tender exercise so that the public would be able to know the cost, which might be well under the present estimate of \$5,168.9 million.

30. In response, D of Adm explained that in line with the established practice, a 10% allowance (excluding furniture and equipment costs) would be included in the estimated project cost for contingency. Provisions for price adjustment would have

to be made if the project would take more than one year to complete. According to the Government Economist, there was an increase of 1.5% on price adjustment for construction projects in 2005. The said rate had been adopted in calculating the price adjustment for the Tamar Project in 2006 and beyond and this worked out to be about \$331.5 million. The exact cost of the project would be made available to the public once it was known.

31. Ms Audrey EU said that CP members had requested for a more detailed breakdown on the estimated cost for the Tamar Project to facilitate future monitoring by LegCo. She was disappointed that the breakdown as set out in the paper was still too brief. The Administration only advised that the estimated \$2,980 million for the construction of LCC and CGC was comparable to the construction cost of A grade office buildings. With such limited information, members would not be able to know if the cost estimates were reasonable or not. D of Adm said that capital costs and details of individual components had been clearly set out in the information paper provided. The Director of Architectural Services (D Arch S) supplemented that the estimated cost of building and building services for LCC and CGC were worked out in accordance with the common practice adopted by the trade. As the project would be developed using the D&B approach, the estimated capital cost would have to be based on unit costs. Advice from building professionals on the unit costs had been sought who also found the costs to be reasonable. While the detailed cost breakdowns would be comprehensible by professionals, these might not be easily understood by the general public. He would welcome an exchange of views with Professor WONG Kwok-chun, the advisor to CP, on the cost estimates for the Tamar Project.

32. The Chairman enquired about the cost implications of imposing a compulsory requirement on no prefabrication for concrete structural units and concrete external walls of CGC and LCC. D Arch S said that there was not much price difference between units which were pre-fabricated in Hong Kong and those which were not. The Project Director of Architectural Services Department added that in general, about 30% of construction units were pre-fabricated while 70% were not, the latter of which would include structural walls and pillars.

Environmental and traffic impact

33. Mr Albert CHAN opined that the reprovisioning of the Government headquarters to the Tamar site was a planning error as this had deprived the public of the last piece of prime site in Central, which in his view should be developed into a “people’s park” for the enjoyment of the public, as in the case of New York and Vancouver. The proposed Tamar Project would have adverse impact on the already congested traffic at the Central District. The increase in traffic would also give rise to more environmental pollution. He therefore requested to put on record his strong objection to the Tamar Project on grounds of its adverse environmental and traffic impact on the Central District. He also hoped that the Administration would spend as much effort in developing municipal projects in Tin Shui Wai and Tung Chung as in Tamar site so that there would not be any delay in the delivery of these projects.

34. On traffic implications, D of Adm said that only 500 parking spaces would be provided at the Tamar Complex. Of these, 380 would be for use by the Government and 120 by LegCo. Most of the Government staff working at CGC were expected to use public transport. According to estimates, the proposed CGC and LCC would attract around 580 and 406 passenger car units in the morning and afternoon peak periods respectively. On average, the projected traffic would contribute to less than 1% of the total traffic flow in the Central Business District. The environmental impact assessment (EIA) conducted earlier had also confirmed that the environmental impact associated with the Tamar Project would not be significant given that the site would be developed for office buildings.

35. Dr KWOK Ka-ki said that apart from the conservation of the tree in front of CGO, the Administration was not able to provide a clear account of the future arrangements and planning for the existing CGO since the motion in the preceding paragraph was passed by the Subcommittee. Despite allegations about dioxin contamination in the seabed of the reclaimed area at the Tamar site, the Administration only used an assessment made in 2003 to explain the presence of small amount of heavy metals and organic chemicals, without details on whether such chemicals included dioxins. Neither had it conducted a new EIA on the Tamar Project. He queried if the Administration had made available all relevant information on the Tamar Project to the public. Ir Dr Raymond HO also enquired about the alleged dioxin contamination at the Tamar site.

36. D of Adm advised that according to the provisions under the EIA Ordinance (Cap. 499), an EIA had to be conducted on the Central Reclamation III (CRIII) and the relevant report was approved by the Advisory Council on the Environment (ACE) in 2001. The relevant studies had concluded that the possible presence of dioxins was not a cause for concern. As there was not much change to the planning of the project since 2001, ACE had later affirmed that it was not necessary to conduct a new EIA. She added that all relevant information on the Tamar Project had already been made available to LegCo and the public.

37. Dr KWOK Ka-ki considered that testing should be performed to ascertain the extent of dioxin contamination at the Tamar site. The Acting Director of Environmental Protection (DEP) said that the Administration would conduct dioxin testing if justified by evidence. As clean fill was used to provide the basis for the reclaimed land of the Tamar site, there was no reason to believe that there was presence of dioxins, which were generated as a result of incomplete combustion of plastic materials that had never been occurred at the site.

38. Noting that the EIA report had revealed that presence of heavy metals and organic chemicals in the seabed soil of the Tamar site, Mr James TIEN enquired if these contaminants could be handled and disposed of and if so, the costs to be incurred. DEP said that soil contamination with heavy metals and organic chemicals were quite common. Soil containing these contaminants could be effectively treated using lime to a level clean enough for use as reclamation fill. A provision of

\$5 million had been earmarked for the purpose which should be sufficient to cover the treatment costs.

39. Ir Dr Raymond HO asked if the extent of the dioxin contamination was more serious at the reclaimed site where the International Finance Centre was situated. DEP said that while dioxins were commonly found in marine sediment of the Harbour, their levels were much lower than the international tolerance limits. As such, the possible presence of dioxins was not a cause for concern.

Layout

40. As the Tamar Project was intended to be a “people’s project”, Mr LEE Wing-tat held the view that CGC should be designed to bring the public and the Government closer in order to live up to the intention. In this connection, he suggested that part of the top floor of CGC facing the Victoria Harbour should be turned into a viewing gallery such that members of the public could have access to it by appointment. D of Adm said that in considering Mr LEE’s suggestion, care had to be taken to ensure that the proposal would not have adverse impact on the effective operation of CGC.

41. Mr LEE Wing-tat requested to include the provision of a public viewing gallery in the tender specifications so that its cost could be included in the project. He also said that project should not be overly luxurious. D of Adm said that since there would be around 11 hectares of open spaces at the Tamar site and the Central waterfront promenade for the enjoyment of the public, there might not be a need to provide a public viewing gallery at the top floor of CGC. In order not to stifle design creativity, the Administration would not include a specification for the provision of a public viewing gallery in the estimated 7 000 pages long tender specifications. In case tenderers submitted designs that included such a facility, however, the Administration would be prepared to consider these. She also assured members that the Tamar Project would not be luxurious but a solemn development to meet the practical needs of its users. D Arch S added that the construction materials to be used for the project would be of appropriate quality for Grade A offices.

42. Mrs Selina CHOW said that LP Members would support that the two hectares of open spaces within the Tamar Complex along with the eight hectares of Central waterfront promenade should be developed for the enjoyment of the local residents and tourist alike. She sought an undertaking from the Administration that these facilities should be made easily accessible to members of the public for their enjoyment. The Chief Town Planner (Special Duties) clarified that there would be a total of about 11 hectares of open spaces at the Tamar Complex and the Central waterfront promenade. The two hectares of open spaces at the Tamar site would be developed into a civic place for public enjoyment. The open spaces would be vibrant, catering for different functions and activities, and would be kept open and easily accessible by the public. Mrs CHOW stressed the need to provide for a vibrant and cosmopolitan theme for the waterfront area.

43. Mr LEE Wing-tat noted the concern of the Hong Kong Human Rights Monitor on the need to allow demonstrations and other legitimate forms of expression of views at the open spaces in front of CGC and LCC at the Tamar site. He considered it necessary to include in the design specifications for the Tamar Project that there would be no hindrance to any legitimate forms of expression of views at the open spaces at the Tamar site. D of Adm explained that the two hectares of open spaces would blend in with the buildings within the Tamar site and not all of the open spaces would be in front of CGC and LCC. The actual layout of the Tamar site would depend on the design of the Tamar Project. As the open spaces were for the enjoyment of the public, only basic security arrangements would apply at the new CGC and LCC and these would not be stricter than what were currently provided.

44. Dr KWOK Ka-ki said that he failed to see the urgency of the Tamar Project when there were other more pressing needs, such as the provision of hospitals in Lantau Island, and other public facilities, such as sports stadium and libraries, in different districts. Mr LEUNG Kwok-hung echoed that the Administration had its full attention on Tamar while neglecting the needs of the community. By way of illustration, the former Municipal Council projects had been delayed, no hospital had been provided in Tin Shui Wai and there was a general lack of heated public swimming pools, all of which involved the implementation of public projects which would not only benefit the community but also bring about the needed job opportunities to the construction industry. His views were shared by Miss TAM Heung-man. The Chairman agreed that the Administration should ensure the timely delivery of these projects.

45. Mr LEUNG Yiu-chung held the view that the Administration was not prepared to listen to dissenting views as it had already solicited the support of major political parties. However, he was obliged to express his concerns about the rights of workers and the underprivileged as well as the unemployment problem. He was disappointed that instead of attending to the social needs of the community, such as the severe shortfall of boarding places for children with special educational needs and the delay in the delivery of the former Municipal Council projects, the latter of which would create the much needed job opportunities, the Administration had chosen to concentrate its efforts to push forward the Tamar Project despite the lack of adequate public consultation and information on the project as well as a comprehensive plan to resolve the environmental and traffic impacts associated with the project. Given the general sentiment of the public for more extensive consultation on Tamar and the preservation of the heritage of the Government Hill, Mr LEUNG urged the Administration to halt the project, which in his view would bring about adverse environment and traffic impact on the Central waterfront area. As he failed to see the urgency of the project, he would not support it. He also urged other members who were opposed to the project to stay firm on their stance.

46. Dr Fernando CHEUNG said that whether the Tamar Project should be implemented had remained a very controversial issue and thus far there had not been overriding support for the project. In fact, some 60% of interviewees had requested

further consultation. However, the Administration had been persistent in implementing the project, which had taken precedence over the provision of other more needed community facilities, such as hostels for the aged and disabled. D of Adm reiterated that there had been adequate public consultation in the past eight months, and that further consultation might not be necessary.

47. The Chairman put PWSC(2006-07)15 to the vote. 40 members voted for the proposal, 10 members voted against. The individual results were as follows:

For :

Mr James TIEN Pei-chun	Mr Albert HO Chun-yan
Ir Dr Raymond HO Chung-tai	Mr LEE Cheuk-yan
Mr Fred LI Wah-ming	Dr LUI Ming-wah
Mrs Selina CHOW LIANG Shuk-yee	Mr CHEUNG Man-kwong
Miss CHAN Yuen-han	Mr Bernard CHAN
Mr CHAN Kam-lam	Mrs Sophie LEUNG LAU Yau-fun
Dr Philip WONG Yu-hong	Mr Jasper TSANG Yok-sing
Mr Howard YOUNG	Dr YEUNG Sum
Mr LAU Chin-shek	Mr LAU Kong-wah
Mr LAU Wong-fat	Ms Miriam LAU Kin-yee
Miss CHOY So-yuk	Mr Andrew CHENG Kar-foo
Mr TAM Yiu-chung	Mr Abraham SHEK Lai-him
Ms LI Fung-ying	Mr Tommy CHEUNG Yu-yan
Mr Frederick FUNG Kin-kee	Mr Vincent FANG Kang
Mr WONG Kwok-hing	Mr LEE Wing-tat
Mr LI Kwok-ying	Dr Joseph LEE Kok-long
Mr Daniel LAM Wai-keung	Mr Jeffrey LAM Kin-fung
Mr Andrew LEUNG Kwan-yuen	Mr CHEUNG Hok-ming
Mr WONG Ting-kwong	Mr Patrick LAU Sau-shing
Mr Albert Jinghan CHENG	Mr KWONG Chi-kin

(40 members)

Against :

Ms Margaret NG	Mr LEUNG Yiu-chung
Mr Albert CHAN Wai-yip	Ms Audrey EU Yuet-mee
Mr Alan LEONG Kah-kit	Mr LEUNG Kwok-hung
Dr KWOK Ka-ki	Dr Fernando CHEUNG Chiu-hung
Mr Ronny TONG Ka-wah	Miss TAM Heung-man

(10 members)

48. The Committee approved the proposal.

Item No. 3 - FCR(2006-07)18

**HEAD 156 – GOVERNMENT SECRETARIAT :EDUCATION AND
MANPOWER BUREAU**

♦ **Subhead 700 General Non-recurrent**

New Item “Grant to the Hong Kong Examinations and Assessment Authority for temporary accommodation of a centralised onscreen marking centre on Hong Kong Island”

♦ **Subhead 950 Hong Kong Examinations and Assessment Authority**

New Item “Grant to the Hong Kong Examinations and Assessment Authority for fitting out the temporary onscreen marking centre on Hong Kong Island”

49. Owing to time constraints, members agreed to defer Item No. 3 - FCR(2006-07)18 to the next meeting on 7 July 2006.

50. The meeting was adjourned at 4:40 pm.

Legislative Council Secretariat

7 November 2006