# 立法會 Legislative Council

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From: Clerk to the Legislative Council

To : All Members of the Legislative Council

#### Council meeting of 26 June 2013

# Amendments to motion on "Concern about the expenditure of the West Kowloon Cultural District project"

Further to LC Paper No. CB(3) 676/12-13 issued on 13 June 2013, 10 Members (Hon Tony TSE, Hon CHAN Yuen-han, Dr Hon Priscilla LEUNG, Hon Cyd HO, Hon Charles Peter MOK, Hon MA Fung-kwok, Hon Alan LEONG, Hon Albert CHAN, Hon Claudia MO and Hon Emily LAU) have respectively given notices of their intention to move separate amendments to Hon Christopher CHUNG's motion on "Concern about the expenditure of the West Kowloon Cultural District project" scheduled for the Council meeting of 26 June 2013. As directed by the President, the respective amendments will be printed in the terms in which they were handed in on the Agenda of the Council.

- 2. The President will order a joint debate on the above motion and amendments. To assist Members in debating the motion and amendments, I set out below the procedure to be followed during the debate:
  - (a) the President calls upon Hon Christopher CHUNG to speak and move his motion;
  - (b) the President proposes the question on Hon Christopher CHUNG's motion:
  - (c) the President calls upon the 10 Members who wish to move amendments to speak in the following order, but no amendment is to be moved at this stage:
    - (i) Hon Tony TSE;
    - (ii) Hon CHAN Yuen-han;

- (iii) Dr Hon Priscilla LEUNG;
- (iv) Hon Cyd HO;
- (v) Hon Charles Peter MOK;
- (vi) Hon MA Fung-kwok;
- (vii) Hon Alan LEONG;
- (viii) Hon Albert CHAN;
- (ix) Hon Claudia MO; and
- (x) Hon Emily LAU;
- (d) the President calls upon the public officer(s) to speak;
- (e) the President invites other Members to speak;
- (f) the President gives leave to Hon Christopher CHUNG to speak for the second time on the amendments;
- (g) the President calls upon the public officer(s) to speak again;
- (h) in accordance with Rule 34(5) of the Rules of Procedure, the President has decided that he will call upon the 10 Members to move their respective amendments in the order set out in paragraph (c) above. The President invites Hon Tony TSE to move his amendment to the motion, and forthwith proposes and puts to vote the question on Hon Tony TSE's amendment;
- (i) after Hon Tony TSE's amendment has been voted upon, the President deals with the other nine amendments; and
- (j) after all amendments have been dealt with, the President calls upon Hon Christopher CHUNG to reply. Thereafter, the President puts to vote the question on Hon Christopher CHUNG's motion, or his motion as amended, as the case may be.
- 3. For Members' reference, the terms of the original motion and of the motion, if amended, are set out in the **Appendix**.

(Ms Dora WAI) for Clerk to the Legislative Council

(Translation)

# Motion debate on "Concern about the expenditure of the West Kowloon Cultural District project" to be held at the Council meeting of 26 June 2013

#### 1. Hon Christopher CHUNG's original motion

That, the West Kowloon Cultural District Authority ('WKCDA') was established in 2008 and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry about the WKCD project turning into a 'fiscal black hole'; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to avoid the WKCD project not being monitored and becoming a 'white elephant project'.

# 2. Motion as amended by Hon Tony TSE

That, the West Kowloon Cultural District Authority ('WKCDA'), which has been given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project, was established in 2008 and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that; the construction cost of the Xiqu Centre (Phase 1), one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry has soared by 100% from the \$1.3 billion estimated in 2006, and although WKCDA has indicated that it will strive to prudently contain the cost of the Xiqu Centre (Phase 1) within \$2.7 billion, people are still worried about the WKCD project turning into a 'fiscal black hole'; at the same time, among the assessment criteria of the Xiqu Centre design competition, the 'cost aspect/value for money' factor only accounts for 10%,

which is relatively low, making people question the degree of importance attached by WKCDA to the value-for-money aspect of the entire WKCD project; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective cost control proposal, which includes giving more consideration to value for money and pricing in respect of the design assessment, selection of works materials, tendering arrangements and scale of works, etc. of the WKCD project, increase the transparency of the expenditure of the WKCD project, make proper use of public money, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to avoid the WKCD project not being monitored and becoming a 'white elephant project'.

Note: Hon Tony TSE's amendment is marked in **bold and italic type** or with deletion line.

# 3. Motion as amended by Hon CHAN Yuen-han

That, to dovetail with the long-term cultural and arts development, the Government established the West Kowloon Cultural District Authority ('WKCDA') was established in 2008 and given in 2008 and has provided a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to more than \$2.7 billion, and the expenditure of the entire WKCD project may also more than double to \$47 billion, resulting in a need to reduce the number of the cultural and arts facilities undertaken to be constructed and the slow-down of the works progress, and reflecting the maladministration of the present WKCDA management; the reasons may be WKCDA's over-reliance on hiring high-priced foreign consultancy firms and overseas management personnel with no cultural literacy in the works planning process, etc., making people worry about the WKCD project ultimately turning into a 'fiscal black hole' and the resources for developing local culture and arts being compressed due to its excessive claim of resources; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council create a more open and fairer mechanism, enabling designers of local small and medium construction firms and cultural and arts management personnel, etc. to participate in the

planning and management of the various works under the WKCD project, so as to expedite the transfer of arts administration and management knowledge, save expenses on hiring experts from overseas, establish the WKCD project as the 'home' and base of Hong Kong arts workers and organizations, and promote the popularization and internationalization of Hong Kong arts; the Government should also ensure that the construction of all cultural and arts facilities under the WKCD project are fully implemented with the originally approved \$21.6 billion, and urge WKCDA to report monthly to this Council and the public on the progress and financial position of the WKCD project, so as to avoid the WKCD project not being monitored and becoming a 'white elephant project', and failing to achieve the original intents of encouraging territory-wide participation and promoting local culture and arts despite spending a lot of public money.

Note: Hon CHAN Yuen-han's amendment is marked in **bold and italic type** or with deletion line.

## 4. Motion as amended by Dr Hon Priscilla LEUNG

That, after many years of gestation and preparation, the West Kowloon Cultural District Authority ('WKCDA'), which is responsible for managing and operating the largest cultural and arts project in Hong Kong history, was established in 2008 and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry about the WKCD project turning into a 'fiscal black hole'; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to avoid the WKCD project not being monitored and becoming a 'white elephant project'; while examining the expenditure of the WKCD project, the Government should ensure that the relevant works expenditure can bring employment opportunities to local professionals and workers, enabling Hong Kong's economy to directly benefit from the WKCD project; in addition, the relevant works expenditure should also drive the construction of waterfront facilities and various road transport ancillary facilities surrounding WKCD, expedite the pace of improving the harbour water quality, promote the development of Hong Kong's cultural software to nurture more culture and arts appreciators, and capitalize on Hong Kong's

advantage of cultural diversity to provide ethnic minorities and local cultural workers with performance platforms, so as to realize the vision of 'People's WKCD'.

Note: Dr Hon Priscilla LEUNG's amendment is marked in **bold and italic type**.

#### 5. Motion as amended by Hon Cyd HO

That, to promote the local cultural policy, the West Kowloon Cultural District Authority ('WKCDA') was established in 2008 and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry about the WKCD project turning into a 'fiscal black hole'; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to avoid the WKCD project not being monitored and becoming a 'white elephant project', and increase the funding to WKCDA for software for cultural development, and ensure that WKCDA discharges its responsibility of protecting artists' freedom of creation and expression, while making good use of the funding.

Note: Hon Cyd HO's amendment is marked in *bold and italic type*.

# 6. Motion as amended by Hon Charles Peter MOK

That, the West Kowloon Cultural District Authority ('WKCDA') was established in 2008 and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, the planning of the West Kowloon Cultural District ('WKCD') project was initiated by the Hong Kong Government as far back as the early 2000s, and the works project has been delayed over the years; it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry about the WKCD project turning into a 'fiscal black hole'; given the possible serious overspending of various works under the WKCD project; as the West Kowloon

Cultural District Authority ('WKCDA') has projected that the estimated construction costs of other construction items under the WKCD project also face upward pressure, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, on the premise of encouraging the freedom of cultural and creative pursuits, examine afresh and give the public an account of the construction expenditure of the Xiqu Centre project, introduce reasonable funding principles in respect of the whole WKCD project, formulate with WKCDA a more effective cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to avoid the WKCD project not being monitored and becoming a 'white elephant project'.

<u>Note</u>: Hon Charles Peter MOK's amendment is marked in *bold and italic type* or with deletion line.

## 7. Motion as amended by Hon MA Fung-kwok

That, the West Kowloon Cultural District Authority ('WKCDA') was established in 2008 and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however due to the big rise in construction cost and changes in planning and development, etc. in recent years, it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry about the WKCD project turning into causing the WKCD project to give people an impression of a 'fiscal black hole'; it is reported that the original endowment for the WKCD project is insufficient to cope with the entire project, making people worry that the works progress will be affected and the number of facilities planned to be constructed will be reduced, thus frustrating the expectations of the cultural sector and the public for the project; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the planning, design strategies, tendering procedures and construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective and more stringent cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to avoid the WKCD project and, on the premise of adopting the aforesaid various cost control measures, to maintain with a pragmatic attitude the overall quality and progress of the WKCD project, and based on actual needs, to appropriately increase financial resources to ensure that the WKCD project is implemented as originally planned and scheduled, so as to honour the undertakings to the industries and society, and avoid making people feel that the WKCD project is not being monitored and becoming a 'white elephant project'.

<u>Note</u>: Hon MA Fung-kwok's amendment is marked in *bold and italic type* or with deletion line.

#### 8. Motion as amended by Hon Alan LEONG

That, the West Kowloon Cultural District Authority ('WKCDA') was established in 2008 and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry about the WKCD project turning into a 'fiscal black hole'; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to and study the introduction of an arts accountability system to render the operation of cultural and arts facilities cost-effective; to ensure the proper use of public money, the Government should also strengthen the WKCDA Consultation Panel by including representatives of the business sector, the academia, the arts and cultural sector and professional sectors, strictly implement the provisions of section 20 of the West Kowloon Cultural District Authority Ordinance to open up meetings of the WKCDA Consultation Panel to the public (including stakeholders of the WKCD project) and, through holding public forums, to enable various sectors to express views on the WKCD project (including the relevant expenditure), so as to build a true 'West Kowloon for the People' and avoid the WKCD project not being monitored and becoming a 'white elephant project'.

Note: Hon Alan LEONG's amendment is marked in **bold and italic type** or with deletion line.

#### 9. Motion as amended by Hon Albert CHAN

That, the West Kowloon Cultural District Authority ('WKCDA') was established in 2008 and given a one-off upfront endowment of \$21.6 billion by

the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry about the WKCD project turning into a 'fiscal black hole'; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to avoid the WKCD project not being monitored and becoming a 'white elephant project', and ensure that the endowment given to WKCDA is properly used for fostering local culture, promoting local arts, training local arts talents and taking forward projects with local characteristics, thereby enabling the WKCD project to showcase to the international community the achievements and values of local culture and arts.

Note: Hon Albert CHAN's amendment is marked in *bold and italic type*.

#### 10. Motion as amended by Hon Claudia MO

That, the West Kowloon Cultural District Authority ('WKCDA') was established in 2008 and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry about the WKCD project turning into a 'fiscal black hole'; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to avoid the WKCD project not being monitored and becoming a 'white elephant project', and ensure that the endowment is used for promoting and conserving local culture.

Note: Hon Claudia MO's amendment is marked in *bold and italic type*.

#### 11. Motion as amended by Hon Emily LAU

That, the West Kowloon Cultural District Authority ('WKCDA') was established in 2008 and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that the construction cost of the Xiqu Centre, one of the Phase 1 cultural and arts facilities to be completed in 2016, increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry about the WKCD project turning into a 'fiscal black hole'; given the possible serious overspending of various works under the WKCD project, this Council urges the Government to examine afresh the construction expenditure of the project, expeditiously give the public an account of the relevant particulars, formulate with WKCDA a more effective cost control proposal, increase the transparency of the expenditure of the WKCD project, and enhance its reporting to this Council on the progress and financial position of the WKCD project, so as to avoid the WKCD project not being monitored and becoming a 'white elephant project', and ensure that the various cultural and arts facilities can meet the principles of creative arts, user needs, environmental protection and energy conservation, while achieving cost-effectiveness.

Note: Hon Emily LAU's amendment is marked in **bold and italic type**.