

立法會
Legislative Council

LC Paper No. CB(1)1093/13-14(04)

Ref : CB1/PL/EDEV

Panel on Economic Development
Meeting on 24 March 2014

**Background brief on the proposed extension of a supernumerary
Administrative Officer Staff Grade C (D2) post in the Tourism
Commission for three years from 1 January 2015 to 31 December 2017**

Purpose

1. This paper sets out the background on the Administration's proposal to extend a supernumerary Administrative Officer Staff Grade C ("AOSGC") (D2) post holding the post of Assistant Commissioner for Tourism (4) ("AC(T)4") in the Tourism Commission created up to 31 December 2014 for three years from 1 January 2015 to 31 December 2017.

Background

Creation of the post of Assistant Commissioner for Tourism (4) in the Tourism Commission

2. On 24 October 2006, the Government announced its plan for developing new cruise terminal facilities on the 7.6 hectares of land earmarked at the southern end of the former runway at the Kai Tak Development through an open land tender. A dedicated team, headed by a supernumerary AOSGC, was established in the Tourism Commission in 2007 for overseeing the open land tender and monitoring progress of the construction of the cruise terminal. The Finance Committee ("FC") of the Legislative Council ("LegCo") approved the creation of the supernumerary AOSGC post which held the post of AC(T)4 in the Tourism Commission for a period of two years with effect from 1 April 2007 at its meeting on 9 February 2007.

3. In October 2008, in view of the uncertainty in the trend of construction cost, turbulence in the financial market and latest trade feedback, the Government decided to proceed to fund, design and build the new cruise terminal and lease it to a cruise terminal operator after completion. On 12 December 2008, FC approved the Administration's proposal for extending the AC(T)4 post for a period of five years and nine months from 1 April 2009 to 31 December 2014 for the purpose of overseeing the implementation of the cruise terminal project.

The Kai Tak Cruise Terminal project

4. In November 2009, LegCo approved the site formation works for the new cruise terminal at an estimated cost of \$2,303.9 million¹ in money-of-the-day ("MOD") prices. LegCo further approved the construction of the cruise terminal building and ancillary facilities for the Kai Tak cruise terminal development at an estimated cost of \$5,852.1 million in MOD prices in April 2010.

5. The Administration announced on 8 March 2012 that the tenancy for operating and managing the Kai Tak Cruise Terminal had been awarded to Worldwide Cruise Terminals Consortium ("WCT"). The tenancy of the cruise terminal would have a term of 10 years, with an option to extend for five years after which another open tender for the leasing arrangements would be held. Upon completion of construction works, the terminal building and the first berth were handed over to WCT on 1 June 2013. The cruise terminal received the first cruise liner, Mariner of the Seas, on 12 June 2013.

6. LegCo Members have been closely monitoring the development and operation of the Kai Tak Cruise Terminal, with a view to enhancing Hong Kong's competitiveness in the fast-growing world cruise market and developing Hong Kong as a regional cruise hub. Members raised various questions at the Council meetings on the development of cruise tourism as well as new cruise terminal facilities, including its location, modes of development and operation, facilities, transport networks, development timetable and tendering matters as well as interim berthing arrangements. The Administration briefed and updated the Panel on Economic Development ("the Panel") on the development of the Kai Tak Cruise Terminal on 24 October 2008, 25 May 2009, 29 March 2010, 24 January 2011, 23 April 2012 and 22 April 2013. The Panel was last briefed on 22 July 2013 by the Administration on the measures to improve the operation arrangements of the

¹ The total estimated project cost of the site formation works together with the cruise terminal building and ancillary facilities works was \$8,156 million in MOD prices or \$7,408.3 million in September 2009 prices, which was within the original estimated project cost of \$7.512 billion (in September 2009 prices).

Kai Tak Cruise Terminal after the inaugural berthing in June 2013, and the legislative proposal to regulate the use of the Terminal to ensure its smooth operation.

Views expressed by Members in previous discussions

7. The Panel and the Establishment Subcommittee were consulted on 24 October and 26 November 2008 respectively on the Administration's proposal for the retention of the supernumerary AOSGC post holding the post of AC(T)4 in the Tourism Commission for a period of five years and nine months from 1 April 2009 to 31 December 2014. Views expressed by members of the Panel and the Establishment Subcommittee are summarized in the ensuing paragraphs.

8. Whilst the Panel supported the proposal in principle, members expressed the view that the incumbent should work closely with cruise operators in developing new cruise markets and exploring alternative cruise itineraries. The incumbent should also attend to matters relating to the development in the vicinity of the cruise terminal.

9. Members of the Establishment Subcommittee endorsed the proposal for the approval of FC. During deliberation, some members expressed grave concern about the exceptionally long duration of retention of the AC(T)4 post. They pointed out that supernumerary posts should only be created to cope with unexpected and time-limited workload, and that the retention of supernumerary posts for long duration was not conducive to effective use of manpower resources. Some members held the view that if supernumerary posts were created solely for taking forward a specific project, some of the manpower resources allocated might be left idle when that particular project was making little or no progress. To maximize the utilization of manpower resources, these members suggested that the supernumerary post be retained for an initial period of three years, and that the job description of the post should include possible deployment for other duties, such as negotiations related to the future development of Hong Kong Disneyland ("HKD"). These members further suggested that the need of this supernumerary post could be reviewed after three years, having regard to the progress and manpower requirements of the cruise terminal and HKD projects.

10. Regarding members' concerns, the Administration explained that the proposed retention period of AC(T)4 post would tie in with the scheduled completion of the major construction works for the cruise terminal, and had taken into consideration the need to monitor the performance of the cruise terminal operator during the initial period of commissioning until the end of

2014. Given the clear target project timeframe, the Administration considered it appropriate and reasonable to provide the required manpower resources for a duration which would tie in with the implementation schedule of the project. The Administration also advised that for some major infrastructure projects such as the Hong Kong-Zuhai-Macao Bridge project, supernumerary posts had been created for over three years.

Latest position

11. According to the Administration, the post of AC(T)4 is now responsible for providing policy input and co-ordination in promoting the development of cruise tourism in Hong Kong and for overseeing the development and operation of HKD, including its future expansion plans. The Administration will seek members' views on its proposal to extend the post of AC(T)4 for three years from 1 January 2015 to 31 December 2017 at the Panel meeting on 24 March 2014.

References

12. The relevant papers are available at the following links –

The Administration's paper on Update on the Development of a New Cruise Terminal at Kai Tak for the Panel on Economic Development (LC Paper No. CB(1)33/08-09(03))

<http://www.legco.gov.hk/yr08-09/english/panels/eDEV/papers/eDEV1024cb1-33-3-e.pdf>

Minutes of meeting of the Panel on Economic Development on 24 October 2008

<http://www.legco.gov.hk/yr08-09/english/panels/eDEV/minutes/eDEV20081024.pdf>

The Administration paper on Proposed retention of one supernumerary post of Administrative Officer Staff Grade C (D2) in the Tourism Commission of Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch) for a period of five years and nine months from 1 April 2009 to 31 December 2014 to oversee the implementation of the cruise terminal project for the Establishment Subcommittee (EC(2008-09)11)

<http://www.legco.gov.hk/yr08-09/english/FC/ESC/papers/e08-11e.pdf>

Minutes of meeting of the Establishment Subcommittee on 26 November 2008

<http://www.legco.gov.hk/yr08-09/english/fc/esc/minutes/esc20081126.pdf>

Background brief on the development of the Kai Tak Cruise Terminal
(LC Paper No. CB(1)1522/12-13(06))

<http://www.legco.gov.hk/yr12-13/english/panels/edev/papers/edev0722cb1-1522-4-e.pdf>

Administration's paper on operation and regulation arrangements of the Kai Tak Cruise Terminal (LC Paper No. CB(1)1522/12-13(05))

<http://www.legco.gov.hk/yr12-13/english/panels/edev/papers/edev0722cb1-1522-5-e.pdf>

Minutes of meeting of the Panel on Economic Development on 22 July 2013

<http://www.legco.gov.hk/yr12-13/english/panels/edev/minutes/edev20130722.pdf>

Council Business Division 1
Legislative Council Secretariat
21 March 2014