立法會 Legislative Council

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Finance Committee of the Legislative Council

Minutes of the 64th meeting held at Conference Room 1 of the Legislative Council Complex on Tuesday, 14 July 2015, at 6:45 pm

Members present:

Hon Tommy CHEUNG Yu-yan, GBS, JP (Chairman) Hon CHAN Kin-por, BBS, JP (Deputy Chairman) Hon CHAN Kam-lam, SBS, JP Hon Emily LAU Wai-hing, JP Hon TAM Yiu-chung, GBS, JP Hon Abraham SHEK Lai-him, GBS, JP Hon Vincent FANG Kang, SBS, JP Hon WONG Kwok-hing, BBS, MH Hon Jeffrey LAM Kin-fung, GBS, JP Hon Andrew LEUNG Kwan-yuen, GBS, JP Hon WONG Ting-kwong, SBS, JP Hon Starry LEE Wai-king, JP Hon CHAN Hak-kan, JP Dr Hon Priscilla LEUNG Mei-fun, SBS, JP Hon CHEUNG Kwok-che Hon WONG Kwok-kin, SBS Hon IP Kwok-him, GBS, JP Hon Mrs Regina IP LAU Suk-yee, GBS, JP Hon Paul TSE Wai-chun, JP Hon Alan LEONG Kah-kit, SC Hon LEUNG Kwok-hung Hon Albert CHAN Wai-yip Hon WONG Yuk-man Hon Claudia MO

Hon Michael TIEN Puk-sun, BBS, JP Hon Steven HO Chun-yin, BBS Hon Frankie YICK Chi-ming, JP Hon WU Chi-wai, MH Hon YIU Si-wing, BBS Hon Gary FAN Kwok-wai Hon Charles Peter MOK, JP Hon CHAN Chi-chuen Dr Hon Kenneth CHAN Ka-lok Hon CHAN Yuen-han, SBS, JP Hon Alice MAK Mei-kuen, BBS, JP Hon KWOK Wai-keung Hon Dennis KWOK Hon Christopher CHEUNG Wah-fung, SBS, JP Dr Hon Fernando CHEUNG Chiu-hung Hon SIN Chung-kai, SBS, JP Hon IP Kin-yuen Dr Hon Elizabeth QUAT, JP Hon Martin LIAO Cheung-kong, SBS, JP Hon POON Siu-ping, BBS, MH Hon TANG Ka-piu, JP Dr Hon CHIANG Lai-wan, JP Hon Christopher CHUNG Shu-kun, BBS, MH, JP Hon Tony TSE Wai-chuen, BBS

Members absent:

Hon Albert HO Chun-yan Hon LEE Cheuk-yan Hon James TO Kun-sun Hon LEUNG Yiu-chung Dr Hon LAU Wong-fat, GBM, GBS, JP Hon Frederick FUNG Kin-kee, SBS, JP Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN Hon Ronny TONG Ka-wah, SC Hon Cyd HO Sau-lan, JP Dr Hon LAM Tai-fai, SBS, JP Dr Hon LEUNG Ka-lau Hon James TIEN Pei-chun, GBS, JP Hon NG Leung-sing, SBS, JP Hon CHAN Han-pan, JP Hon LEUNG Che-cheung, BBS, MH, JP Hon Kenneth LEUNG Dr Hon KWOK Ka-ki Dr Hon Helena WONG Pik-wan Ir Dr Hon LO Wai-kwok, SBS, MH, JP Hon CHUNG Kwok-pan

Public officers attending:

Ms Elizabeth TSE Man-yee, JP Permanent Secretary for Financial Services and the Treasury (Treasury) Secretary for Financial Ms Esther LEUNG, JP Deputy Services and the Treasury (Treasury)1 Principal Executive Officer (General), Mr Alfred ZHI Jian-hong Financial Services and the Treasury Bureau (The Treasury Branch) Assistant Director of Environmental Miss Amy YUEN Wai-yin Protection (Water Policy) **Director of Drainage Services** Mr Edwin TONG Ka-hung, JP Mr WONG Sui-kan Chief Engineer (Sewerage Projects), Drainage Services Department Deputy Secretary for Home Affairs (3) Ms Angela LEE Chung-yan Director of Leisure and Cultural Ms Michelle LI Mei-sheung, JP Services Ms Elaine YEUNG Chi-lan Assistant Director of Leisure and Cultural Services (Performing Arts) Mr LEUNG Koon-kee. JP **Director of Architectural Services** Mrs Alice YU NG Ka-chun Project Director (3), Architectural Services Department

Clerk in attendance:

Ms Anita SIT

Assistant Secretary General 1

Staff in attendance:

Mr Derek LO Mr Daniel SIN Mr Raymond SZETO

Chief Council Secretary (1)5 Senior Council Secretary (1)7 Council Secretary (1)5

Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Michelle NIEN	Legislative Assistant (1)5
Miss Yannes HO	Legislative Assistant (1)6

Action

Item No. 1 – FCR(2015-16)29 RECOMMENDATIONS OF THE PUBLIC WORKS SUBCOMMITTEE MADE ON 16, 24 AND 30 JUNE 2015

PWSC(2015-16)21 HEAD 704 – DRAINAGE Environmental Protection – Sewerage and sewage treatment 408DS – Yuen Long effluent polishing plant

<u>The Chairman</u> advised that the item PWSC(2015-16)21 invited the Committee to approve upgrading part of 408DS, as 412DS, entitled "Yuen Long effluent polishing plant ("YLEPP") – consultants' fees and investigation", to Category A at an estimated cost of \$88.9 million in money-of-the-day ("MOD") prices; and the retention of the remainder of 408DS in Category B.

Cost-effectiveness of the proposed project

2. <u>Mr LEUNG Kwok-hung</u> and <u>Mr CHAN Chi-chuen</u> enquired about the maximum acceptable level of Deep Bay for receiving residual pollution loading of the treated effluent. Noting that the Yuen Long Sewage Treatment Works ("YLSTW") currently provided secondary treatment to sewage collected from Yuen Long area including Yuen Long Industrial Estate, <u>Mr LEUNG</u> <u>Kwok-hung</u> queried the need of upgrading YLSTW to tertiary sewage treatment.

3. <u>Assistant Director of Environmental Protection (Water Policy)</u> ("ADEP(WP)") advised that Deep Bay was affected by pollution from both Hong Kong and Shenzhen including discharges from Shenzhen River. It was necessary to upgrade YLSTW to an effluent polishing plant with tertiary treatment together with its proposed expansion so as to avoid increasing the residual pollution loading to Deep Bay.

4. <u>Director of Drainage Services</u> ("DDS") supplemented that the total volume of sewage in the catchment area of YLSTW was estimated to reach 150 000 cubic metres ("m³") per day in 2036 arising from major housing developments under planning as well as the village sewerage projects in its

catchment area. It was therefore necessary to increase the daily treatment capacity of YLSTW from 70 000 m^3 to 150 000 m^3 .

5. In response to Mr LEUNG Kwok-hung's enquiry on the kinds of pollution sources in the Deep Bay catchment area, <u>ADEP(WP)</u> responded that further growth in the population of Shenzhen and Hong Kong would put pressure on the water quality of Deep Bay. To improve the water quality of Deep Bay, there had been on-going co-operation and exchanges of information on the regional environmental management for Deep Bay (Shenzhen Bay) between Hong Kong and Guangdong for some years.

6. While agreeing with the need to upgrade YLSTW, <u>Mr Albert CHAN</u> noted that Hong Kong's sewage disposal strategy was formulated in 1989 and had been in use since then. <u>Mr CHAN</u> called on the Environment Bureau to tackle the water quality problem in conjunction with the overall and territory-wide strategic development of Hong Kong in the long run. In his view, it would be more cost-effective to treat the sewage of the area in the long run by building a deep tunnel to divert the secondary treated sewage from YLSTW to the deep sea.

DDS advised that at present, about 30 000 m³ per day of sewage 7. from the Yuen Long area was diverted to the San Wai Preliminary Treatment Works ("SWPTW") through an underground pumping main for preliminary treatment before being discharged through a deep tunnel and a submarine outfall into Urmston Road, while the rest of the sewage was treated in YLSTW for discharging into Deep Bay. The alternative option of constructing long deep tunnels and/or rising mains to divert all the sewage from YLSTW to SWPTW for subsequent discharging to Urmston Road would cause potential nuisances to the public and also require upgrading of the treatment level and capacity of SWPTW. The proposed upgrading of YLSTW to YLEPP was considered more cost-effective than the alternative option at this stage, taking into account the cost, difficulties and challenges associated with the tunnels and/or rising mains construction works. DDS added that alternative options would also be reviewed during the investigation phase of the consultancy in order to develop the most suitable and cost effective scheme for the project.

8. <u>Mr Albert CHAN</u> sought information on the unit operation cost for different levels of sewage treatment. <u>DDS</u> responded that the unit operation cost, which depended on sewage treatment level of individual plant and the volume of treated sewage, would be around \$1.3 per m³ of sewage for chemically enhanced primary treatment, about \$2 to \$3 per m³ of sewage for secondary treatment, and about \$5 to \$8 per m³ of sewage for tertiary treatment.

9. Pointing out the operation cost of YLEPP was very high, <u>Mr Albert</u> <u>CHAN</u> called on the Administration to explore other ways to treat sewage in a more cost-effective manner. The investigation study should review the latest developments of Hung Shui Kiu and the overall strategy on the Yuen Long sewerage system. <u>ADEP(WP)</u> responded that the Administration would keep in view the developments of Yuen Long district and report the progress to the Legislative Council in due course.

10. <u>Mr Gary FAN</u> enquired about the estimated construction cost and operation life span of YLEPP. <u>DDS</u> advised that a preliminary estimate of the proposed construction works was about \$7 billion to \$10 billion in MOD prices. The proposal was meant to engage consultants to undertake an investigation study on, inter alia, whether the cost could be reduced to a minimum. The respective operation life spans of the civil structures and the electrical and mechanical equipment were around 50 years and 15 years.

Water quality of Deep Bay

Ms Claudia MO raised concern on whether Deep Bay was highly 11. polluted with heavy metals, and asked to what extent the proposal could help alleviate the pollution problem of Deep Bay. Mr Gary FAN expressed a ADEP(WP) said that the Environmental Protection similar concern. Department ("EPD") regularly monitored the conditions and quality of water and sediment, including heavy metals, in Hong Kong waters. Elevated levels of selected heavy metals were often detected in the sediments of water areas near Tsuen Wan and Kwun Tong, with industrial pollution sources long time ago. Nevertheless, EPD observed a general decreasing trend of total metals in sediments with the continuous reduction of pollution sources. According to EPD's information, the problem of heavy metals in Deep Bay was comparatively smaller. In addition, YLSTW was treating mainly domestic sewage, which should not cause problem of heavy metals to Deep Bay.

12. <u>DDS</u> supplemented that Deep Bay's water quality was assessed based on key parameters including 5-day Biochemical Oxygen Demand, Total Suspended Solids, Ammonia-Nitrogen, Total Nitrogen, Total Phosphorous and *E.coli*. The standards of treated effluent could be enhanced upon the enhancement of sewage treatment from secondary to tertiary level.

13. In reply to Ms Claudia MO's enquiry about whether the improvement made to the water quality could be quantified, <u>DDS</u> advised that an improvement of the measurements in terms of 5-day Biochemical Oxygen Demand and Total Suspended Solids, could be observed particularly, i.e. the former could be reduced from 20 milligrams per litre ("mg/L") to 10 mg/L

while the latter from 30 mg/L to 10 mg/L.

14. Noting that there were a number of oyster farms in Deep Bay area, <u>the</u> <u>Chairman</u> asked whether the water quality of Deep Bay could be improved significantly for sustainable and commercially viable oyster aquaculture in Deep Bay such that oysters could be exported to the Mainland. <u>DDS</u> said that as the growth of oysters would depend on a number of factors, the Administration was unable to guarantee that Deep Bay's water was favorable for the production of oysters.

15. <u>Mr LEUNG Kwok-hung</u> and <u>Dr Fernando CHEUNG</u> asked whether aquatic food products in particular oysters from Deep Bay and Lau Fau Shan were still edible, <u>ADEP(WP)</u> advised that it was highly recommended that oysters harvested from that area should be thoroughly cooked before consumption.

Uses of tertiary treated sewage effluent

16. <u>Mr WU Chi-wai</u> enquired whether the tertiary treated sewage effluent generated by YLEPP could be used for potable applications. <u>DDS</u> said that NEWater from Singapore was high-grade reclaimed water that was further treated and purified to make it safe for drinking purpose. Reclaimed water produced from YLEPP could be used for toilet flushing and irrigation. Notwithstanding this, the Drainage Services Department ("DSD") had conducted systematic tests on reclaimed water produced from treated effluent at the Sha Tin Sewage Treatment Works. As producing high-grade reclaimed water required specialized engineering technology, the capital and operation costs would be much higher. The Administration would continue to explore the feasibility of supplying reclaimed water for non-potable uses.

17. <u>Mr WU Chi-wai</u> considered that the Administration should evaluate in the proposed investigation study how the reclaimed water could replace fresh water sources which were currently used for toilet flushing or street cleansing. The Administration should also review the general practices adopted by various bureaux and departments in using fresh water. <u>Mr Albert CHAN</u> shared Mr WU's views.

18. <u>DDS</u> said that the Water Supplies Department ("WSD"), in collaboration with the relevant departments, would investigate the feasibility of further treating the tertiary treated sewage effluent from the Shek Wu Hui Sewage Treatment Works ("SWHSTW") for toilet flushing use in the north-eastern part of the New Territories. As fresh water was currently used for toilet flushing in the housing developments at the catchment area of

SWHSTW, it would be easier to consider reusing the reclaimed water at that catchment area. The adoption of reclaimed water at the SWHSTW catchment would provide valuable experience for WSD's further consideration on the application of reclaimed water at other areas. As Yuen Long areas had been supplied with sea water for toilet flushing, the application of reclaimed water for toilet flushing was less imminent at those areas. Nevertheless, DSD would explore in the forthcoming investigation study the opportunities of reclaimed water applications.

Implementation schedule for the project

19. <u>Mr Gary FAN</u> enquired about the implementation schedule for the project. <u>DDS</u> advised that the proposed project was an in-situ redevelopment and the redevelopment of the site had to be carried out in phases. The Administration would seek funding for the construction at a later stage after completion of the first part of study in 2018. The first stage of construction works for YLEPP would commence in 2018 while the remaining construction works would commence in 2022 such that the entire project could be completed in phases by 2025.

20. <u>Mr CHAN Chi-chuen</u> and <u>Mr Gary FAN</u> considered that the six-year lead time was too long and enquired whether the Administration could compress the lead time required for the project. <u>DDS</u> said that the Administration would commence the study, design and associated investigation works under the present proposal in late 2015. Given the proposed project was an in-situ redevelopment and the redevelopment of the site had to be carried out in phases, it was expected that the first stage of YLEPP would come into operation by 2021.

21. <u>Mr CHAN Chi-chuen</u> sought details about the schedule of public engagement and consultation, and the reasons for the relatively high projected expenditure for 2016-2017 and 2017-2018. <u>Chief Engineer (Sewerage</u> <u>Projects)</u> responded that \$1 million was set aside for the public engagement and consultation. It was envisaged that the first public engagement exercise would be held in around mid-2016 to gauge views from stakeholders and professional bodies on the preliminary design of the project while the second public engagement exercise would be conducted by end of 2016 to early 2017.

22. <u>Mr WONG Kwok-hing</u> expressed support for the proposal. With the increasing population of Yuen Long and Tin Shui Wai districts, in particular new housing developments in Hung Shui Kiu, he envisaged that the volume of sewage from those areas would increase. He said that the discussion on the item had been delayed by the filibustering tactics employed by some members.

As there was an impending need for reducing pollution load to Deep Bay, <u>Mr WONG</u> appealed to members not to delay the deliberation.

23. <u>Mr CHAN Chi-chuen</u> sought clarifications on whether the examination of the funding proposal would possibly give rise to increase in project costs and affect the commencement of the study. <u>DDS</u> said that the tendering procedures had been delayed for a few weeks but relevant estimated costs and commencement date of the study had not been affected.

24. <u>Mr Albert CHAN</u> stressed that members had the duty to examine the proposal in detail. He was particularly concerned about the high treatment cost of tertiary sewage treatment. <u>ADEP(WP)</u> said that in the study, the Administration would review the latest developments of Yuen Long area, cost-effectiveness of the new sewerage infrastructure, project readiness, etc.

Regional collaboration on improving the water quality of Deep Bay

25. <u>Mr LEUNG Kwok-hung</u> and <u>the Chairman</u> enquired if any regional collaboration agreements had been made to improve the environment of Deep Bay. <u>ADEP(WP)</u> advised that the Hong Kong and the Mainland authorities had agreed on the "Deep Bay (Shenzhen Bay) Water Pollution Control Joint Implementation Programme" ("the Programme") to improve Deep Bay's water quality. The Programme set out pollution control measures to be undertaken by governments of Hong Kong and Shenzhen at various stages, essentially to reduce wastewater discharge into Deep Bay by extension and improvement of sewerage infrastructure. EPD would keep monitoring the quality of Hong Kong waters and strengthen co-operation to protect the environment of Deep Bay.

26. <u>The Chairman</u> asked whether the two governments had monitored and cross-checked the water quality of Deep Bay and Shenzhen Bay such that information could be exchanged for planning water pollution control strategies. <u>ADEP(WP)</u> advised that while EPD monitored the water quality of Deep Bay to keep track of compliance with the Water Quality Objectives ("WQOs"), Shenzhen continued to take forward sewerage infrastructure projects to improve the water quality in Deep Bay (Shenzhen Bay).

27. <u>Dr Fernando CHEUNG</u> expressed support for the proposal but he was concerned whether YLEPP could help improve the water quality of Deep Bay as pollution flowed into Deep Bay from the catchments and rivers on both the Hong Kong and Shenzhen sides. Noting that the first review of the Programme was completed in 2007 and experts on both sides set out the pollutant reduction targets for Deep Bay to progressively reduce the pollution load to Deep Bay, <u>Dr CHEUNG</u> sought elaboration on the progress that had been made so far.

28. In reply, <u>ADEP(WP)</u> advised that EPD and its Shenzhen counterpart would in the second review of the Programme, evaluate the effectiveness of the Programme by analyzing the latest development planning and water quality condition in the Deep Bay catchment area and drawing up the necessary additional pollution control measures. <u>ADEP(WP)</u> stressed that Hong Kong and Shenzhen governments spared no effort in easing the pressures on Deep Bay by upgrading their sewage treatment facilities and pumping some of the sewage elsewhere.

29. <u>Dr Fernando CHEUNG</u> further asked whether the Shenzhen authorities had achieved the targets in the reduction of wastewater discharge into Deep Bay. <u>Mr LEUNG Kwok-hung</u> expressed doubt on the effectiveness of the measures taken by Hong Kong to reduce water pollution in Deep Bay, into which livestock rearing activities in Shenzhen drained their waste.

30. <u>ADEP(WP)</u> advised both Hong Kong and Shenzhen governments were working hard to improve water quality of Deep Bay. For example, Hong Kong's EPD had been rigorously enforcing pollution control legislation and effluent treatment standards on livestock farms. The pollution control measures being taken by Hong Kong were in proportion to the size of its population around Deep Bay which was one third that of Shenzhen.

31. <u>Dr Fernando CHEUNG</u> and <u>the Chairman</u> asked whether the Administration would consider making public the agreements made between Hong Kong and Shenzhen governments for improving Deep Water's water quality. In response to the Chairman's request, <u>ADEP(WP)</u> undertook to provide the information for members' reference after the meeting if the agreements could be made public.

Provision of village sewerage

32. <u>Mr Gary FAN</u> asked whether the Administration would provide free public sewerage facilities to the unsewered villages in Yuen Long so as to guard against private village households disposing untreated sewage into Deep Bay. <u>ADEP(WP)</u> responded that the Administration would extend the public sewerage network to Yuen Long villages and YLEPP would provide tertiary treatment to sewage arising from village sewerage projects in its catchment area in future.

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33. <u>Ms Claudia MO</u> enquired whether the Administration had a timetable for providing public sewers for all the villages in Hong Kong and if villagers were required to make house connection at their own costs. <u>ADEP(WP)</u> responded that the implementation of the Village Sewerage Programmes for Yuen Long depended on local community support and the connection rates of village areas to the public sewers varied. The Administration's policy was to provide a public sewer with reception points up to or as near as practicable the lot boundaries of village houses to facilitate the house owners to connect their sewage to the public sewer. Villagers were to complete the final sewer connections from village houses to the reception points at their own cost.

Project estimate

34. <u>Mr CHAN Chi-chuen</u> sought elaboration on the provision for preparing tender documents and assessment of tenders. <u>DDS</u> explained that the provision was for engaging consultants to prepare preliminary and detailed design of YLEPP, and relevant tender documents. The consultants had to monitor the entire project including the construction works of YLEPP until completion in 2025.

35. <u>Mr WONG Yuk-man</u> questioned about the justifications for the projection of daily treatment capacity of YLEPP. <u>DDS</u> explained that the treatment capacity of YLEPP had taken into account the increased volume of sewage arising from new population intake in Kam Tin South, Wang Chau and Ngau Tam Mei, which according to the Planning Department, would be 90 000, 54 000 and 67 000 respectively.

36. <u>Mr WONG Yuk-man</u> however expressed doubt on the forecast of the target population and queried whether the housing developments could be completed according to the planned schedule. <u>DDS</u> reiterated the need to maintain the treatment operation of YLSTW at all times and the redevelopment of the site had to be carried out in phases so that the entire project could be completed in phases by 2025 to serve the target population.

37. <u>Mr WONG Yuk-man</u> questioned the justifications for the provision set aside for price adjustment in the project estimates. <u>DDS</u> explained that the Administration adopted price adjustment factors, which were derived from the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output for the period from 2015 to 2024.

Other issues

38. <u>Mr CHAN Chi-chuen</u> and <u>Mr Albert CHAN</u> sought elaboration on the "Zero Discharge to Deep Bay" policy. <u>ADEP(WP)</u> advised that to ensure compliance with Deep Bay zero discharge requirements, any projects should avoid increasing residual pollution loading into Deep Bay. Deep Bay achieved a 40% rate of compliance with WQOs. Sewage from unsewered rural villages had adversely affected the water quality of Deep Bay. Upon the completion of upgrading of YLSTW and continuous implementation of village sewerage projects, the amount of untreated sewage being discharged into Deep Bay would be reduced.

39. <u>DDS</u> added that tertiary treatment was the highest level of treatment to polish the effluent from secondary treatment process. This was achieved by a combination of physical and biological processes with the objective of removing nutrients and any remaining suspended solids in the sewage. YLEPP would disinfect the effluent before it was discharged to Deep Bay and would be in compliance with the "no net increase in pollution loads to the Deep Bay" Policy.

40. <u>Dr Fernando CHEUNG</u> asked whether the Administration would consider using the polluter-pays principle in providing sewage services. <u>ADEP(WP)</u> said that it had all along been the Administration's policy to recover the operating cost for sewage services. Through modest and gradual increases in sewage charge starting from 2008, the Administration aimed at recovering about 70% of the operating cost attributable to sewage treatment.

41. <u>Ms Claudia MO</u> sought elaboration on the term "very sensitive" used to describe Deep Bay in the Administration's paper. <u>ADEP(WP)</u> explained that Deep Bay had a weak self-cleansing ability which would affect its water quality. Unlike an area with deep fast-flowing water where pollutants were rapidly diluted and dispersed, there was little water exchange in Deep Bay, which was shallow and semi-enclosed, and the dispersion of pollutant and breakdown of effluent were hindered.

42. Considering that the term "very sensitive" might not be easily comprehensible to the public, <u>Ms Claudia MO</u> and <u>Mr LEUNG Kwok-hung</u> suggested that the Administration should make it clear that Deep Bay had low resistance to pollution. <u>ADEP(WP)</u> took note of members' views.

43. In response to Mr LEUNG Kwok-hung's enquiry on whether the Administration had taken into account the factor of using chemicals in the sewage treatment process, <u>DDS</u> advised that the effluent quality was regulated

through a discharge licensing system for which limits and standards were set by EPD.

Voting on PWSC(2015-16)21

44. There being no further comment from members, <u>the Chairman</u> put the item PWSC(2015-16)21 to vote. At Mr LEUNG Kwok-hung's request, <u>the Chairman</u> ordered a division and the division bell was rung for five minutes. <u>The Chairman</u> announced that 26 members voted for and none voted against the item. The individual votes of individual members were as follows –

For: Mr CHAN Kam-lam Mr WONG Ting-kwong Mr CHAN Kin-por Mr WONG Kwok-kin Mr Paul TSE Wai-chun Mr LEUNG Kwok-hung Mr WONG Yuk-man Mr Steven HO Chun-yin Mr YIU Si-wing Mr Charles Peter MOK Dr Kenneth CHAN Ka-lok Mr KWOK Wai-keung Mr POON Siu-ping (26 members)

Mr WONG Kwok-hing Ms Starry LEE Wai-king Mr CHEUNG Kwok-che Mr IP Kwok-him Mr Alan LEONG Kah-kit Mr Albert CHAN Wai-yip Ms Claudia MO Mr Frankie YICK Chi-ming Mr Gary FAN Kwok-wai Mr CHAN Chi-chuen Miss Alice MAK Mei-kuen Dr Fernando CHEUNG Chiu-hung Mr Christopher CHUNG Shu-kun

45. <u>The Chairman</u> declared that the Committee approved the item.

PWSC(2015-16)9 HEAD 703 – BUILDINGS Recreation, Culture and Amenities – Cultural facilities 60RE – Construction of the East Kowloon Cultural Centre

46. <u>The Chairman</u> advised that the item PWSC(2015-16)9 invited the Committee to approve the upgrading of project 60RE – Construction of the East Kowloon Cultural Centre ("EKCC") to Category A at an estimated cost of \$4,175.7 million at MOD prices.

Positioning of the East Kowloon Cultural Centre

47. Noting from the Administration's paper that the performing arts facilities of EKCC and the West Kowloon Cultural District ("WKCD") had different target audience and hirers, <u>Mr Gary FAN</u> asked how the Administration could attract the respective targeted groups.

48. <u>Director of Leisure and Cultural Services</u> ("DLCS") advised that EKCC would be different from WKCD in positioning, objectives, management and operation. The Administration had conducted wide consultation with relevant stakeholders before finalizing the project scope of EKCC. EKCC was designed to meet the needs of the East Kowloon communities and would be equipped with multi-purpose facilities to suit the production needs of diverse art forms and arts groups. The planned provision of a 1 200-seat auditorium, a 550-seat theatre and three music/dance/drama studios ranging from 120-250 seats could help alleviate the acute shortage of performing arts facilities in the East Kowloon region and Hong Kong at large. Meanwhile, the Leisure and Cultural Services Department ("LCSD") had also launched the Venue Partnership Scheme at its performing arts venues and partners were given priority in booking relevant venues.

49. In reply to Mr Gary FAN's further enquiries, <u>DLCS</u> advised that the Venue Partnership Scheme aimed at fostering partnership between performing arts venues and performing arts groups/organizations with the objectives of enhancing the artistic image and character of the venue and their partners, enlarging the audience base, optimizing usage of facilities and developing venue-based marketing strategies. The scheme also encouraged community involvement in the development of the arts to facilitate arts sponsorship and promote arts in the community. Meanwhile, LCSD would allow its performing arts venues for hire by other arts groups for organizing cultural activities and other events. District organizations holding arts-related activities in respective district venues would be accorded priority.

50. <u>Mr LEUNG Kwok-hung</u> expressed reservation on the proposal. In his view, EKCC should serve the communities and arts groups of all districts in Hong Kong instead of meeting the needs of East Kowloon region. <u>Mr LEUNG</u> enquired about the underlying principle for the use of EKCC.

51. <u>DLCS</u> said that EKCC was intended to be a cross-district cultural venue to serve local communities and Hong Kong's arts groups of the three districts in the East Kowloon region, namely, Kwun Tong, Wong Tai Sin and Kowloon City, as well as Sai Kung (including Tseung Kwn O).

Notwithstanding, local arts groups and artists in the territory were welcome to apply for the use of EKCC.

Other issues

Citing comments against EKCC, Dr Fernando CHEUNG sought 52. elaboration on whether the Administration had any long-term and comprehensive plan for development of performance venues to meet the diverse needs and aspirations of the general public. DLCS advised that at present, LCSD managed 14 performing arts venues. The arts venues could be classified into three board categories: (a) territory-wide venues, such as the Hong Kong Cultural Centre and Hong Kong City Hall, where the facilities and equipment were capable of staging performances of professional overseas and local performing arts groups; (b) district arts facilities, such as town halls and civic centres, which were the focal points for cultural activities around Hong Kong; and (c) thematic venues, such as the Yau Ma Tei Theatre which had been revitalized as a dedicated venue for Chinese opera performances and related activities. <u>DLCS</u> reiterated that EKCC would be equipped with multi-purpose facilities to suit the production needs of diverse art forms and arts groups, and benefit of the residents in the catchment areas.

53. <u>Ms Claudia MO</u> said that while more performing arts facilities should be provided to help promote arts and cultural development at the district level, the Administration should avoid over-concentration of cultural facilities in certain districts, including the East Kowloon and West Kowloon regions. She criticized the Administration for ignoring the needs of residents in the New Territories East and New Territories West regions.

54. <u>DLCS</u> responded that there were performing arts venues, including Sha Tin Town Hall and North District Town Hall in the east of the New Territories. In the New Territories West region, there were a number of venues including Tuen Mun Town Hall, Tsuen Wan Town Hall and Kwai Tsing Theatre, etc. As the Ngau Chi Wan Civic Centre was the only multi-purpose government venue for holding performing arts events in East Kowloon, the communities in East Kowloon had been urging the Government to provide a better-equipped and multi-purpose cultural centre.

55. <u>Dr Fernando CHEUNG</u> pointed out that The Ombudsman had investigated into a complaint case which revealed LCSD was lacking transparency in processing applications for booking performance venues. <u>Dr CHEUNG</u> asked how the Administration would enhance the transparency of the processing procedures. <u>Ms Claudia MO</u> enquired whether EKCC would be suitable for staging performances by the Cattle Depot Artist Village. 56. <u>DLCS</u> advised that EKCC would be open for public hiring and each application would be considered on its own merits. LCSD would take into account factors such as the nature and artistic merits of the proposed performance and its value on the promotion of arts and culture in the community. Arts-related activities that complied with the designated use of the facility would be given preference, e.g. the designated use of the Concert Hall for recitals, vocal music or other music activities.

57. <u>The Chairman</u> declared that the meeting be adjourned and the unfinished business of the meeting should be carried over to the next meeting.

58. The meeting was adjourned at 8:45 pm.

Legislative Council Secretariat 15 December 2015