

立法會
Legislative Council

LC Paper No. CB(4)1605/16-17
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Panel on Economic Development

Minutes of meeting
held on Friday, 21 July 2017, at 9:00 am
in Conference Room 1 of the Legislative Council Complex

Members present : Hon Jeffrey LAM Kin-fung, GBS, JP (Chairman)
Hon Alvin YEUNG (Deputy Chairman)
Hon James TO Kun-sun
Hon Starry LEE Wai-king, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Steven HO Chun-yin, BBS
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Hon Kenneth LEUNG
Hon Christopher CHEUNG Wah-fung, SBS, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon CHU Hoi-dick
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai
Hon CHAN Chun-ying
Hon LUK Chung-hung
Hon Jeremy TAM Man-ho

Members attending : Hon Tanya CHAN
Hon HUI Chi-fung

Members absent : Hon WONG Ting-kwong, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
Dr Hon KWOK Ka-ki
Hon Dennis KWOK Wing-hang
Dr Hon Elizabeth QUAT, BBS, JP
Dr Hon CHIANG Lai-wan, JP
Hon Jimmy NG Wing-ka, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon Kenneth LAU Ip-keung, BBS, MH, JP

Public Officers attending : Agenda item II

Transport and Housing Bureau

Mr Wallace LAU, JP
Deputy Secretary for Transport and Housing
(Transport)⁴

Civil Aviation Department

Mr Raymond NG
Assistant Director-General of Civil Aviation (Airport
Standards)

Miss Clara WONG
Chief Safety Officer (Airport and Safety Regulation)

Mr Frank WAI
Senior Safety Officer (Safety Regulation)¹

Agenda item III

Commerce and Economic Development Bureau

Mr Edward YAU, GBS, JP
Secretary for Commerce and Economic
Development

Miss Erica NG, JP
Deputy Secretary for Commerce and Economic
Development (Commerce and Industry)³

Development Bureau

Miss Christine AU
Principal Assistant Secretary for Development
(Harbour)

Hongkong Post

Mr Gordon LEUNG, JP
Postmaster General

Mr Leo YAN
Acting Assistant Postmaster General (Corporate
Development)

Architectural Services Department

Mr CHAN Fat-yau
Chief Project Manager 102

Mr CHUNG Ming-cheong
Chief Architect/2

Planning Department

Ms Phoebe CHAN
Chief Town Planner/Special Duties 1

Agenda item IV

Transport and Housing Bureau

Miss Joey LAM, JP
Deputy Secretary for Transport and Housing
(Transport)5

Marine Department

Mr WONG Sai-fat
Deputy Director of Marine

Mr CHAN Hon-bun
Acting Assistant Director of Marine/Port Control

Attendance by Invitation : Agenda item IV

Hong Kong Fishery Alliance

姜紹輝先生

助理主席

MKK Marine Services Limited

Mr CHEUNG Tai-kee

Director

Democratic Alliance for the Betterment and Progress of Hong Kong

Mr SIU Wai-chung

Vice-Spokesperson of DAB - Economic Development Policy

Hong Kong Fishermen's Association

Mr YEUNG Sheung-chun

Chairman

Hong Kong Fishermen Consortium

Mr CHEUNG Siu-keung

Chairman

Hong Kong Fisheries Development Association

Mr CHUI King-hang

Representative

Hong Kong and Kowloon Motor Boats and Tug Boats Association

Mr Bondy WEN

Chairman

Hong Kong Pilots Association Limited

Captain LEE Koon-wah

Chairman

Shun Tak - China Travel Ship Management Limited

Mr YIP Kwok-lee

Deputy Division Director Operations

Fat Kee Stevedores Limited

Mr Patrick SHU
Port Captain

Individual

Mr WAN Chi-kwong

Lantau Airport Fairway Concern Group

Mr LEUNG Kwok-hung
Representative

Clerk in attendance : Ms Shirley CHAN
Chief Council Secretary (4)5

Staff in attendance : Mr Bonny LOO
Assistant Legal Adviser 4 (Agenda item II only)

Ms Shirley TAM
Senior Council Secretary (4)5

Ms Lauren LI
Council Secretary (4)5

Ms Zoe TONG
Legislative Assistant (4)5

Miss Mandy LUI
Clerical Assistant (4)5

Action

I. Information papers issued since the last meeting

(LC Paper No. CB(4)1301/16-17(01) — Transport and Housing Bureau's response to the letter from Hon Holden CHOW Ho-ding dated 24 May 2017 on the development of the Guangdong-Hong Kong-Macao Big Bay Area, covering matters relating to the tourism, shipping and logistics, as well as value-added service industries

in the area as set out in
LC Paper No. CB(4)1280/16-17(01)

LC Paper No. CB(4)1310/16-17(01) — Administration's response to the letter from Hon Jeremy TAM Man-ho dated 21 April 2017 on issues relating to the collapse of an air bridge at the Hong Kong International Airport occurred on 7 April 2013 as set out in LC Paper No. CB(4)909/16-17(01)

LC Paper No. CB(4)1316/16-17(01) — Letter from Hon James TO Kun-sun dated 26 June 2017 proposing discussion on the Report of the Transport and Housing Bureau's Investigation into Staff Conduct in the Marine Department in relation to the Vessel Collision Incident near Lamma Island on 1 October 2012 (Chinese version only)

LC Paper No. CB(4)1337/16-17(01) — Administration's paper on tables and graphs showing the import and retail prices of major oil products from June 2015 to May 2017)

Members noted the above papers issued since the last regular meeting.

II. Legislative amendments relating to the carriage of dangerous goods by air

(LC Paper No. CB(4)1402/16-17(01) — Administration's paper on proposed amendments to legislation relating to the carriage of dangerous goods by air)

Presentation by the Administration

2. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport)⁴ ("DSTH4") briefed members on the Government's legislative proposal to give effect to the latest standards promulgated by the International Civil Aviation Organization ("ICAO") for the safe transport of dangerous goods ("DG") by air in Hong Kong. ICAO adopted the latest standards under Annex 18 to the Convention on International Civil Aviation ("Chicago Convention") with detailed specifications set out in the Technical Instructions for the Safe Transport of Dangerous Goods by Air ("TIs"), which were updated and published by ICAO biennially. With the aid of power-point presentation material, Chief Safety Officer (Airport and Safety Regulation) ("CSO(ASR)") of the Civil Aviation Department ("CAD") elaborated the proposal further. Details were set out in LC Paper No. CB(4)1402/16-17(01).

(Post-meeting note: The power-point presentation material provided by the Administration was issued to members vide LC Paper No. CB(4)1443/16-17(01) on 21 July 2017.)

Declaration of interests

3. The Chairman declared that he was a member of the Board of the Airport Authority Hong Kong ("AAHK"), and the chairman of the Board of Aviation Security Company Limited Hong Kong.

Discussion

The proposal

4. Mr CHAN Chun-ying noted that while aircraft operators had already been required to perform a DG acceptance check before a consignment containing DG was accepted for air carriage, they were now required to identify the person performing the acceptance check in accordance with the latest edition of TIs. He asked about the implication of this new requirement on passengers. He was also concerned if suitable training would be provided for relevant aviation personnel.

5. DSTH4 explained that the existing DG acceptance check was conducted for air cargo only and hence, the new requirement would have no impact on passengers. Assistant Director-General of Civil Aviation (Airport Standards) ("ADGCA") supplemented that at present related ground handling personnel were required to attend relevant training to renew their knowledge of DG and procedures of acceptance checks every two years.

6. Mr Martin LIAO noted that the latest edition of TIs also required aircraft operators to ensure that information on the types of DG which passengers were forbidden to transport aboard an aircraft was communicated effectively to passengers at the point of ticket purchase or at boarding pass issuance. He cast doubt on the implementation effectiveness of this requirement, and considered that AAHK could play a better role on this matter by, for example, erecting display boards on relevant DG information at immigration/customs clearance checkpoints.

7. Sharing the view that passengers should be well informed of the types of DG which they were forbidden to transport on board an aircraft, Mr YIU Si-wing asked about the Administration's approach for requiring aircraft operators to inform passengers of the latest DG information at the point of ticket purchase. Given that passengers might purchase tickets from travel agents in person or through online platforms, he was concerned about the difficulties in implementing the requirement.

8. ADGCA explained that the latest edition of TIs sought to reinforce the current practice to ensure that aircraft operators would make the information available to passengers no matter how the passengers purchased their tickets and/or checked in their flights. This practice would form part of the operating procedures as stipulated in the aircraft operator's operations manual and/or other appropriate manuals. On implementation, aircraft operators adopted a multi-pronged approach to ensure that information would be communicated effectively to passengers. If ticket purchase or boarding pass issuance were conducted online, passengers would be alerted by a message of the DG requirements before the procedures were completed. DG information would also be provided on tickets purchased through travel agents. Relevant DG information would also be presented at each of the places at an airport where tickets and boarding passes were issued, passenger baggage was dropped off and aircraft boarding areas were maintained, and at any other location where passengers were issued boarding passes and/or checked baggage was accepted, including those self-service kiosks.

9. Mr YIU Si-wing was also concerned that even if travel agents and aircraft operators had communicated to passengers the latest DG information, the latter might still breach the requirements. He asked if aircraft operators and travel agents were liable to the resultant responsibilities.

10. ADGCA said that passengers were responsible for complying with the law regulating the transport of DG aboard an aircraft. While aircraft operators and travel agents were required to fulfill their obligations to convey relevant

requirements to passengers as far as practicable, passengers who breached the requirements should bear their own responsibilities.

11. On Mr CHAN Chun-ying's enquiry about the implementation of the new requirements of TIs, ADGCA advised that the latest edition of TIs (i.e. the 2017-2018 edition) was issued by ICAO in December 2016. Before the new requirements of TIs were given legal effect, the International Air Transport Association ("IATA") had updated its Dangerous Goods Regulations ("DGR") with effect from 1 January 2017 to implement the latest amendments to TIs. It was an established industry practice that in handling DG, airlines, freight forwarders and shippers would adhere to the IATA DGR which was the globally recognized reference for transporting DG by air. Airlines would not accept non-compliant DG for air carriage due to safety consideration of aircraft operations. In short, the international air transport industry was already operating in accordance with the latest requirements of TIs in handling the transport of DG by air and in disseminating the relevant information to passengers.

12. ADGCA further advised that whenever an updated edition of TIs was published by ICAO, CAD would review the new requirements promulgated therein, and pursue necessary amendments in order to keep Hong Kong's regulatory regime in line with the ICAO standards. For the latest edition of TIs, CAD had already published ICAO's amendments on its website in January 2017 and had written to stakeholders to provide details of the amendments. Furthermore, CAD had briefed the air cargo industry accordingly, and put into practice the latest requirements administratively. So far, the industry had not indicated any major difficulties in compliance. The current legislative exercise sought to provide legal backing for the new standards.

Provision of DG information to passengers

13. Mr Jeremy TAM relayed a complaint case where a passenger departing from the Hong Kong International Airport with lithium battery packed inside a checked baggage was found non-compliant with the DG requirements of an Indian airport during transit. He suspected that the standards imposed on transporting DG by air were different across airports, leading to difficulties in compliance.

14. The Chairman raised concern about the different standards for transporting DG applied by other airports and called on the Administration to step up efforts to facilitate passengers' compliance on this matter.

15. ADGCA that under the Chicago Convention, all 191 Contracting States of ICAO should take necessary actions to comply with the provisions in TIs. In the meantime, individual airlines or IATA might impose additional restrictions on the transport of DG by air in accordance with their own risk assessments. Passengers would be required to ascertain the additional DG restrictions imposed by aircraft operators before their journeys. The Government would liaise with the Airports Council International to explore how to step up the communication among different airports on DG requirements and convey relevant information to passengers effectively.

16. Ir Dr LO Wai-kwok considered that the baggage handling requirements were becoming more complex than before. There was confusion over the carriage of some articles which were not allowed to be placed in checked baggage but could be carried in cabin baggage, and vice versa. Given that DG requirements might be updated frequently as a result of the emergence of new commodities, he asked about the Administration's strategies to ensure that information on updated requirements would be communicated to passengers clearly and effectively from time to time.

17. Mr Martin LIAO shared similar views. He suggested that the Administration should require aircraft operators to spell out clearly the DG requirements for checked baggage and cabin baggage to avoid confusion and facilitate compliance.

18. DSTH4 explained that in response to technological advancement, ICAO updated and published TIs biennially according to the latest risk assessment. To promulgate the new DG requirements whenever ICAO's TIs were updated, the Administration would expand the scope of consultation and publicity programmes in future especially if such new requirements were directly related to passengers.

19. CSO(ASR) supplemented that in addition to the efforts of aircraft operators, CAD had adopted various means to convey to passengers the information as to which categories of DG might not be taken aboard the aircraft by passengers, including the provision of DG information booths at the Hong Kong International Airport, and promulgation of DG information on CAD website.

20. Remarking that the relevant webpage containing information about DG and restricted articles was not easy to find on AAHK's website, Mr Jeremy TAM suggested that such information, together with reminders encouraging passengers to ascertain the additional DG restrictions imposed by other airports/aircraft operators before departure, should be placed prominently on AAHK's website. DSTH4 agreed to invite AAHK to consider this suggestion.

21. The Chairman requested the Administration to provide details of the measures taken by CAD and AAHK to inform passengers and relevant stakeholders of the latest international requirements for the safe transport of DG by air.

(Post-meeting note: The Administration's response was issued to members vide LC Paper No. CB(4)1569/16-17(01) on 5 September 2017.)

Conclusion

22. The Chairman concluded that the Panel was generally supportive of the proposal. He also requested the Administration to take note of members' views on relevant matters.

III. Reprovisioning of Hongkong Post's Headquarters in the General Post Office Building to a Government, Institution or Community site at Wang Chin Street, Kowloon Bay

(LC Paper No. CB(4)1402/16-17(02) — Administration's paper on reprovisioning of Hongkong Post's Headquarters in the General Post Office Building to a Government, Institution or Community site at Wang Chin Street, Kowloon Bay

LC Paper No. CB(4)1402/16-17(03) — Paper on reprovisioning of the General Post Office Building prepared by the Legislative Council Secretariat (background brief))

Other relevant paper

(LC Paper No. CB(4)1417/16-17(01) — Submission from a member of the public dated 14 July 2017 (Chinese version only))

Presentation by the Administration

23. At the invitation of the Chairman, Secretary for Commerce and Economic Development ("SCED") briefed members on the works project for the reprovisioning of Hongkong Post's Headquarters ("HKP HQs") in the General Post Office ("GPO") Building in Central at a Government, Institution or Community ("G/IC") site at Wang Chin Street, Kowloon Bay. The GPO Building was currently situated in part of Site 3 in the new Central harbourfront ("Site 3") which was recommended to be used mainly for commercial development. A new building ("the new Building") would be constructed at the G/IC site to accommodate the reprovisioned HKP HQs, some HKP out-housed units and a new delivery office. Details were set out in LC Paper No. CB(4)1402/16-17(02).

Discussion

New Hongkong Post's Headquarters

24. Ir Dr LO Wai-kiwok considered that it was essential to reprovision HKP HQs as the current GPO Building was outdated and unable to meet the service needs. When taking forward the works project, the Administration should take into account the operation needs of HKP HQs so as to facilitate public use of postal services. He also requested the Administration to provide further information on the design of the reprovisioned HKP HQs to facilitate members' consideration of this proposal.

25. Acting Assistant Postmaster General (Corporate Development) ("Ag. APMG") replied that the reprovisioned HKP HQs would co-locate some units of HKP currently out-housed in leased premises (i.e. Kowloon Bay Post Office ("KBY PO") at Sheung Yuet Road in Kowloon Bay, the Bulk Airmail Centre in Tsuen Wan and the Post Office Staff Training Centre in Cheung Sha Wan) as well as a new Kowloon Bay Delivery Office. The service area of the reprovisioned KBY PO would be about 100 square meters larger than that of the existing one, and the number of service counters would be increased from eight to 11, including eight multi-purpose counters. Postmaster General ("PMG") supplemented that the Administration would pay due regard to maximizing the convenience to users of postal services at the reprovisioned HKP HQs. Detailed information on the design of the new Building would be provided when the Government introduced the proposal to the Public Works Subcommittee.

26. Mr Holden CHOW considered that the reprovisioning exercise should be taken forward in a timely manner, having regard to the recommendation made by the Audit Commission. Concerning the operational effectiveness of the

reprovisioned HKP HQs, he asked about the traffic assessment of Kowloon Bay and the impact of local traffic situation on the services to be provided.

27. Mr WONG Kwok-kin was concerned about the traffic condition at Kowloon Bay where the new HKP HQs would be located. He pointed out that the traffic in Kowloon Bay was highly congested. In addition to the reprovisioning proposal, some other Government departments would also be relocated to that area, posing additional pressure on the traffic flow. He enquired if the Administration had conducted any traffic assessment in the vicinity to examine the viability of these arrangements.

28. Mr CHAN Chun-ying expressed support for the reprovisioning proposal which would increase the floor area of office and retail space in the premier core business district. However, he considered that the accessibility to the reprovisioned HKP HQs should be improved by, for example, adding in the vicinity a station of the Environmentally Friendly Linkage System currently planned for Kowloon East.

29. PMG assured members that according to the traffic assessment commissioned by the Architectural Services Department ("ArchSD"), the additional traffic brought by the operation of the reprovisioned HKP HQs would have minimal traffic impact to the vicinity.

30. Pointing out the inconvenience for making bulk posting at the current GPO Building, Ir Dr LO Wai-kwok considered that sufficient parking spaces should be provided at the new Building to facilitate the public to use the postal services. Mr Holden CHOW also raised a similar concern and urged the Administration to provide more parking spaces at the new Building to address the parking demand in Kowloon Bay.

31. PMG advised that some 30 parking spaces would be provided at the new Building for the operation of HKP HQs. Some of them were large parking spaces to cater for the need of customers making bulk posting. PMG further advised that according to the study commissioned by ArchSD, the parking spaces available in the district were considered adequate to meet the local demand.

32. Mr Jeremy TAM pointed out that HKP was currently occupying some parking spaces in Lei Yue Mun Estate to support its operation. He enquired if the new Building in Kowloon Bay would provide sufficient parking spaces so that those parking spaces occupied by HKP in Lei Yue Mun Estate could be released for public use.

33. Ag. APMG explained that the parking spaces provided for HKP at the new Building would only be used for supporting the operation of HKP HQs. To support the services provided by HKP's delivery office located in Lei Yue Mun Estate, HKP was occupying some parking spaces at Lei Yue Mun Estate leased through the Government Property Agency. If other suitable parking facilities could be identified in Kwun Tong, those leased in Lei Yue Mun Estate might be released.

34. Mr YIU Si-wing relayed some complaints received by his office about the lack of parking spaces in Lei Yue Mun. He urged HKP to, instead of occupying the parking spaces at the Lei Yue Mun Estate, seek further allotments of parking spaces at the new Building to support its operation. He also suggested that the Administration could conduct a comprehensive review to assess the overall demand for parking spaces in the district, including those of HKP and of the public, before finalizing the relevant plan for the new Building.

35. PMG stressed that the plan for the new Building was drawn based on the needs of its users and the restrictions on plot ratios. It was a general practice for HKP to lease commercial parking spaces in different locations to meet its operational needs. The provision of parking spaces in individual districts could be dealt with by a separate platform.

36. Noting that the new Building would be constructed in 8-storey high, Mr CHUNG Kwok-pan pointed out that in order to enhance the service provision at the reprovisioned HKP HQs and provide more parking spaces, the new Building should be constructed as tall as those commercial buildings in the vicinity. He enquired about the possibility to relax the development plot ratio of the new Building to maximize its cost-effectiveness. Noting that the reprovisioning proposal would enable HKP to move out from the core district, Mr CHUNG also enquired how far could such proposal benefit the financial position of HKP as a result of the reduction of rental expenditure.

37. Chief Town Planner/Special Duties 1 of the Planning Department said that the building height of most G/IC sites in Kowloon Bay near the site where the new HKP HQs would be located was restricted to 40 metres above Principal Datum ("mPD") under the relevant Outline Zoning Plan ("OZP") which was much lower than those of the adjacent commercial developments in order to allow the G/IC sites in Kowloon Bay to serve as a spatial and visual relief in the densely developed area. PMG supplemented that although HKP's rental expenditure would be reduced as a result of the reprovisioning proposal, HKP was in fact facing strong competition from private courier service companies as well as challenges arising from high terminal dues charged by other postal administrations. HKP had been making continuous effort in implementing

revenue generation and cost-saving measures with a view to providing effective postal services at reasonable charges.

38. Mr CHAN Chun-ying enquired if reprovisioning HKP HQs away from a prime location would have any adverse implication on the income of HKP, especially during the initial period after the reprovisioning. He suggested that the Government might provide a special funding to assist HKP's operation under the Post Office Trading Fund if necessary.

39. PMG advised that bulk postings of air mail items constituted a substantial source of HKP's business, whereas the local mail service was operating at a loss. The former would not be affected by the reprovisioning proposal as it was currently handled in other HKP's venues. Ag. APMG added that the proposal could in fact help HKP to seize the business opportunities arising from the increase of customers from new commercial buildings and retail centres in Kowloon Bay.

40. Mr LUK Chung-hung asked about the financial benefits brought by the reprovisioning proposal to the Government. He requested the Administration to provide information on the Government revenue generated from the reprovisioning proposal, including those due to the sale of Site 3 of the new Central harbourfront where the GPO Building was currently situated.

(Post-meeting note: The Administration's response was issued to members vide LC Paper No. CB(4)1559/16-17(01) on 1 September 2017.)

Provision of postal services in Central

41. Mr Jeremy TAM considered that the demand for postal services was huge in Central. He asked about the future provision of such services in Central upon the reprovisioning of the existing HKP HQs.

42. Mr SHIU Ka-fai opined that although it was necessary to take forward the reprovisioning proposal to optimize land use, appropriate arrangement should be made to ensure sufficient provision of postal services in Central, especially the bulk mail services.

43. PMG explained that to provide essential postal services in Central, district-tied facilities, namely a Delivery Office, Speedpost Section, Counter Office and the Post Office Box Section, would be provided by the future development of Site 3 in the northern part of Lung Wo Road.

44. The Deputy Chairman was concerned about the provision of postal services in Central during weekends and public holidays after the reprovisioning as the GPO in Central currently operated on daily basis including weekends and public holidays. He also raised concern about whether the area of the site designated for district-tied postal facilities would be large enough to cope with the service demand. Mr Kenneth LEUNG raised a similar enquiry.

45. Mr LUK Chung-hung suggested that the Government should consider requiring the developer to allocate some spaces in Site 3 at nominal cost for reprovisioning the district-tied postal facilities.

46. PMG said that each of the post offices set their service hours taking into account the local postal needs. In planning for relevant arrangements, HKP would take into consideration the customers' needs to ensure that the services provided would be effective and satisfactory.

The Site 3 development

47. Noting that the GPO Building would be demolished after the reprovisioning of HKP HQs, Ms Tanya CHAN indicated strong objection from the Civic Party to the demolition plan for the sake of conservation and avoidance of construction waste. She stressed that the GPO Building was a valuable and unique asset of Hong Kong although it was not declared as a historic monument. She called on the Administration to explore every possible means to preserve it while taking forward the development of Site 3.

48. Pointing out the high historic value of the GPO Building, Mr HUI Chi-fung objected to its demolition. He expressed dissatisfaction that the Administration's paper did not cover the views of the Central and Western District Council ("C&WDC") which called for the conservation and conversion of the GPO Building. According to a survey conducted by his office, among some 500 to 1 000 respondents, over half of them objected to the demolition of the GPO Building. He was of the view that the previous consultation conducted by the Administration did not effectively reflect the public views and that a new round of consultations should be launched to gauge public views on this issue.

49. Mr Kenneth LEUNG considered it necessary to increase the supply of Grade A commercial buildings in Central. However, the GPO Building which featured the architectural style of the 1970s was still in good condition with conservation value. The Government should address the aspiration of the public on the conservation of the GPO Building.

50. The Deputy Chairman called on the Administration to duly address members' concerns over the demolition of the GPO Building when taking forward the Site 3 development.

51. Mr Holden CHOW asked about the feasibility for converting the existing GPO Building into a part of the new commercial development of Site 3, so as to strike a balance between sustainable development and conservation.

52. Principal Assistant Secretary for Development (Harbour) ("PAS(Harbour)") replied that the Planning Department commissioned the Urban Design Study for the New Central Harbourfront ("UDS") in 2007 to refine the urban design framework for the new Central harbourfront. Completed in 2011, UDS recommended Site 3 to be developed into a comprehensive commercial development mainly for office and retail uses with the provision of a continuous landscaped pedestrian deck linking core areas of Central with the harbourfront, public open space and other public facilities. The GPO Building would be demolished after suitable reprovisioning to deliver a design concept that went through a comprehensive public engagement process and was supported by the public. The development would be completed in phases to ensure a continued and uninterrupted provision of postal services. The recommended design concept for Site 3 under UDS had taken into consideration the public views received and recommendations of a Task Group under the then Harbour-front Enhancement Committee. It had included relevant urban design elements to provide a coherent and legible structure to cater for different land uses, built forms with sufficient separations and abundant open spaces. The planning brief setting out the broad development parameters and the planning and design requirements of Site 3, incorporating the views of C&WDC and the Harbourfront Commission where appropriate, was endorsed by the Metro Planning Committee of the Town Planning Board ("TPB") in December 2016.

53. Ir Dr LO Wai-kwok said that the development of Site 3 had been discussed for years and its design should complement the overall harbourfront setting. He considered that the Panel's discussion should focus on the reprovisioning of HKP HQs while the development of Site 3, including the conservation of the GPO Building, could be discussed at other platforms with due regard to the development needs and public interest.

54. Mr WONG Kwok-kin pointed out that it was essential to relocate the postal facilities from the GPO Building with a view to taking forward the design concept as recommended under UDS. However, he raised concern about the traffic problems in the vicinity of Connaught Place and called on the Government to improve this matter taking advantage of the Site 3 development.

55. SCED explained that the Government attached great importance to the urban design for Central, including its traffic arrangement and pedestrian flows which would be comprehensively revamped to match up the overall development of the harbourfront.

56. Mr YIU Si-wing considered that the Site 3 development should be taken forward to optimize the overall urban planning of the harbourfront. He suggested that more parking facilities could be accommodated in the basement of the development to better use the plot ratio for Site 3. In response, PAS(Harbour) advised that some parking and retail facilities would be built underground in Site 3 under the current plan.

57. Mr Kenneth LEUNG noted that the existing Star Ferry Car Park would be demolished according to the refined UDS. He asked about the future arrangement on parking facilities in Central.

58. PAS(Harbour) said that the endorsed planning brief required the provision of 325 public car parking spaces and 30 public motor cycle parking spaces when Site 3 was developed. In addition, a total of about 520 ancillary car parking spaces would be provided in accordance with Hong Kong Planning Standards and Guidelines requirements. The Site would be implemented in two phases according to the demarcation of Sites 3A and 3B. Site 3A to the north of Lung Wo Road would be developed first to reprovision the district-tied facilities of the existing GPO and provide 250 public car parking spaces. Upon completion of Site 3A, development in Site 3B would then proceed and the remaining 75 public car parking spaces would be provided therein.

59. In response to Mr Kenneth LEUNG's suggestion on reducing the number of parking spaces in Site 3 so as to restrict the number of vehicles travelling to Central and implement the concept of "walkable" Central, PAS(Harbour) advised that the current amount of car parking spaces to be provided in Site 3 had tried to strike a good balance among different needs of the public.

60. Mr Kenneth LEUNG enquired further about the building height restrictions imposed on Site 3 and how far developers should follow such restrictions.

61. Concerning the visual impact brought about by the Site 3 development, Mr SHIU Ka-fai asked if the Government had examined the implication of relevant building height restrictions on neighbouring buildings, such as the HSBC Main Building and the Jardine House.

62. PAS(Harbour) pointed out that the future development in Site 3, which was zoned as the Comprehensive Development Area on the relevant OZP, would be subject to a maximum building height of 50mPD for the medium-rise commercial development on the western part and a maximum building height of 16mPD for the low-rise landscaped deck with commercial facilities below on the eastern part as separated by a pecked line on the OZP. According to relevant assessments conducted during UDS, these building heights and architectural forms would not pose significant visual impacts on the surrounding and were able to address public expectation to reduce development intensity on the harbourfront. The future developer should prepare a Master Layout Plan in accordance with the said building height restrictions and other urban design controls in the planning brief for the approval of TPB.

63. The Chairman expressed support for the reprovisioning proposal which was in line with the development need of Hong Kong. In considering the Site 3 development, he called on the Government to duly address members' concerns on the traffic issues and height restrictions of the site.

Conclusion

64. The Chairman concluded that the Panel was generally supportive of the reprovisioning proposal. He also requested the Administration to take note of members' views on relevant matters.

(At 10:50 am, the Chairman ordered that the meeting be suspended for 5 minutes. The meeting resumed at 10:55 am.)

IV. Proposal to establish new principal fairway in North Lantau

(LC Paper No. CB(4)848/16-17(04) — Administration's paper on legislative amendments to Shipping and Port Control Regulations (Cap. 313A) and Merchant Shipping (Local Vessels) (General) Regulation (Cap. 548F) to regulate marine traffic

LC Paper No. CB(4)906/16-17(01) — Letter from Hon Steven HO Chun-yin dated 21 April 2017 on legislative amendments to Shipping and Port Control Regulations (Cap. 313A) and

the Merchant Shipping (Local Vessels) (General) Regulation (Cap. 548F) (Chinese version only)

LC Paper No. CB(4)1420/16-17(01) — Administration's consolidated response to the follow-up matter relating to the agenda item on "Amendments to Shipping and Port Control Regulations (Cap. 313A) and the Merchant Shipping (Local Vessels) (General) Regulation (Cap. 548F)" of the meeting on 24 April 2017 and Hon Steven HO Chun-yin's letter dated 21 April 2017 as set out in LC Paper No. CB(4)906/16-17(01)

LC Paper No. CB(4)1145/16-17(01) — Letter from Hon Steven HO Chun-yin dated 1 June 2017 requesting the Panel to hold a public hearing on the Government's proposal to establish a new principal fairway (Chinese version only)

LC Paper No. CB(4)1402/16-17(04) — Paper on proposal to establish new principal fairway in North Lantau prepared by the Legislative Council Secretariat (background brief)

Declaration of interests

65. Mr YIU Si-wing declared that he worked for a company whose parent company had investments in Shun Tak-China Travel Ship Management Limited.

Presentation of views by deputations/individuals

66. The Chairman welcomed the representatives of the Administration and deputations/individuals to the meeting. He reminded the

deputations/individuals that their written submissions provided to the Panel and views presented at the meeting would not be covered by the protection and immunity provided under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382).

67. Upon the invitation of the Chairman, a total of 12 deputations/individuals presented their views on the proposal to establish a new principal fairway in North Lantau. A summary of the views expressed by the deputations/individuals was in the **Appendix**. The Panel also noted one written submission from an individual not attending the meeting (LC Paper No. CB(4)1417/16-17(03)).

Administration's response

68. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport)5 ("DSTH5") gave a consolidated response to the views expressed by the deputations/individuals. DSTH5 advised that the proposed establishment of a principal fairway in North Lantau aimed to regulate marine traffic and enhance navigation safety in that area. She pointed out that marine traffic had increased three-fold between 2010 and 2017, causing navigation safety concerns. DSTH5 advised that the Administration noted the fishing trade's concern about the impact of establishing a prohibited fishing area at the eastern end of the new principal fairway on the fishing community. She said that the Administration would maintain dialogue with the trade to identify possible relief measures.

Discussion

Alternative proposals

69. Mr YIU Si-wing considered it an international trend for governments to ensure navigation safety through regulation of marine traffic. In this connection, the Administration's proposal to establish a new principal fairway and a prohibited fishing area was understandable. However, the Administration should address the concern of the fishermen since the proposal would affect their livelihood. In this regard, he sought information from the deputations on the fishing trade's alternative proposals and assistance required. He also enquired if the \$500-million worth Sustainable Fisheries Development Fund could offer relief to the fishermen affected.

70. Mr CHEUNG Siu-keung, Chairman of the Hong Kong Fishermen Consortium ("HKFC") said the fishing community had made certain alternative proposals for the Administration's consideration. These proposals included allowing fishermen to fish within the principal fairway at designated time, and

establishing the new principal fairway in South Lantau instead of North Lantau. He was of the view that in case the alternative proposals put forward by the fishing trade were not feasible, the Administration should discuss with the fishermen the relevant relief measures. Furthermore, he informed the meeting that the fishermen affected did not benefit from the Sustainable Fisheries Development Fund.

71. Mr Steven HO was dissatisfied that the Administration had given no response to the concerns of the fishing community nor to the alternative proposals put forward by the fishing trade. He requested the Administration to work out proposals which helped sustain the livelihood of fishermen in Hong Kong. Given that no major marine accidents had ever occurred in the vicinity in the past, he urged the Administration to explore other alternatives in maintaining navigation safety without harming the interests of the fishing trade.

72. Mr Holden CHOW shared Mr Steven HO's concern about the livelihood of fishermen. He was of the view that the Administration had rendered little assistance to the fishermen whose livelihood was threatened by the gradual loss of fishing grounds resulting from the various development projects, including the three-runway system project and the construction of marine parks. In this connection, he enquired about the measures to be devised by the Administration to compensate for the fishermen's loss.

73. In response, DSTH5 advised that the Administration had thoroughly considered all the alternative proposals suggested by the fishing community. As for the proposal to establish a traffic separation scheme allowing fishing vessels to operate in the separation zone between two one-way traffic lanes for bigger vessels, it was not feasible as the strip of water north of Lantau was not wide enough to allow two large deep-draught vessels to navigate in opposite directions while having a separation zone in between.

74. As regards the proposal to establish the new principal fairway in South Lantau instead of North Lantau, DSTH5 advised that the waters in South Lantau were not deep enough for large vessels to sail through. Upon the enquiry of Mr CHEUNG Siu-keung of HKFC, Acting Assistant Director of Marine/Port Control advised that the depth of waters off Fan Lau in South Lantau was around 14 to 15 meters, which was too shallow for large vessels to sail through.

75. To facilitate member's consideration, the Chairman requested the Administration to provide written information on the feasibility to relocate the proposed principal fairway to the water area of South Lantau and the relevant considerations.

(*Post-meeting note:* The Administration's written response was issued to members vide LC Paper No. CB(4)1577/16-17(01) on 8 September 2017.)

76. On the fishing community's proposal of allowing large vessels to use the proposed principal fairway only at designated time, DSTH5 advised that it would seriously affect the operation of the Hong Kong port which operated round the clock throughout the year. Given the economic importance of the port, such measure would also lead to adverse implications on Hong Kong's economic development. DSTH5 also advised that imposing speed limit on vessels using the proposed fairway would pose safety risks since large vessels need to maintain a minimal navigational speed to manoeuvre and take appropriate action in response to accident. DSTH5 further advised that the Administration would continue to communicate with the bureaux and departments concerned to work on measures which would facilitate the fishermen's operation in North Lantau after the establishment of the principal fairway.

77. Mr Steven HO was not convinced and maintained that the Administration should figure out the appropriate arrangements and relief measures for the fishermen affected before taking forward the proposal of establishing a new principal fairway. He said that he would raise objection to the proposal if the fishing trade's concerns were not appropriately addressed.

Sustainable development of fisheries industry

78. Mr Steven HO criticized the Administration's lack of comprehensive planning for the various development projects that affected the fishing trade. He suggested that a working group on the sustainable development of fisheries should be set up to coordinate matters related to and conduct researches on the policy direction regarding the development of fisheries in Hong Kong. The proposal to establish a new principal fairway should be taken forward on the basis of policies that promoted the sustainable development of fisheries. He added that the water area affected by the proposed principal fairway and other development projects totaled far more than just 0.1% of the Hong Kong waters, the extent as claimed by the Administration in the consultation.

79. Mr Holden CHOW echoed Mr Steven HO's suggestion that a high-level working group on the sustainable development of fisheries should be set up to coordinate matters relating to the impact of the works projects on the fishing trade. He considered that the initiative would be beneficial for the sustainable development of the trade and fishermen's livelihood.

Conclusion

80. The Chairman invited the Administration to take note of the views and concerns expressed by members and deputations/individuals at the meeting. He requested the Administration to give a written response to the deputations'/individuals' written submissions received and views expressed at the meeting.

(Post-meeting note: The Administration's written response was issued to members vide LC Paper No. CB(4)1577/16-17(01) on 8 September 2017.)

V. Any other business

81. There being no other business, the meeting ended at 12:14 pm.

Council Business Division 4
Legislative Council Secretariat
25 September 2017

**Panel on Economic Development
Meeting on Friday, 21 July 2017, at 9:00 am**

**Meeting to receive views on agenda item IV
"Proposal to establish new principal fairway in North Lantau"**

Summary of views and concerns expressed by deputations/individuals

No.	Name of deputation/individual	Submission/Major views and concerns
1.	Hong Kong Fishery Alliance	<ul style="list-style-type: none"> • It was unfair that there were no compensation arrangements for fishermen who had lost the fishing grounds concerned due to the proposed establishment of a new principal fairway. • The deputation was worried that the establishment of a prohibited fishing area might pave the way for a total ban on fishing in Hong Kong waters in future.
2.	MKK Marine Services Limited	<ul style="list-style-type: none"> • LC Paper No. CB(4)1435/16-17(01) (English version only)
3.	Democratic Alliance for the Betterment and Progress of Hong Kong	<ul style="list-style-type: none"> • LC Paper No. CB(4)1467/16-17(01) (Chinese version only)
4.	Hong Kong Fishermen's Association	<ul style="list-style-type: none"> • The deputation objected to the establishment of a prohibited fishing area at the new principal fairway, since it would cause the loss of a major fishing ground and affect the livelihood of fishermen. • The Administration should further consult the fishing community on the alternative proposals and the relief measures.

No.	Name of deputation/individual	Submission/Major views and concerns
5.	Hong Kong Fishermen Consortium	<ul style="list-style-type: none"> • The Administration did not reflect the opposing views against the establishment of a new principal fairway in its paper to the Legislative Council. • Given the impact of the new principal fairway on the livelihood of fishermen, the Administration should give thought to the alternative proposals and the relief measures for the fishing trade.
6.	Hong Kong Fisheries Development Association	<ul style="list-style-type: none"> • The Administration's paper was misleading in the way that opposing views were not reflected in it. • The water area affected by the proposed principal fairway was eight times more than the 0.1% of Hong Kong waters as claimed by the Administration during the consultation. Fishing grounds in the western waters of Hong Kong were further diminished due to the various development projects. • The Administration should strike a balance between maintaining navigation safety and the livelihood of fishermen.
7.	Hong Kong and Kowloon Motor Boats and Tug Boats Association	<ul style="list-style-type: none"> • The deputation supported the proposal to establish a new principal fairway for the sake of navigation safety.
8.	Hong Kong Pilots Association Limited	<ul style="list-style-type: none"> • LC Paper No. CB(4)1417/16-17(02) (Chinese version only)
9.	Shun Tak-China Travel Ship Management Limited	<ul style="list-style-type: none"> • Given the increasing marine traffic around North Lantau and the dynamic traffic conditions in the vicinity, establishing a new principal fairway in the water area concerned was essential for ensuring navigation safety.

No.	Name of deputation/individual	Submission/Major views and concerns
10.	Fat Kee Stevedores Limited	<ul style="list-style-type: none">• It was necessary to establish a new principal fairway in North Lantau to prevent marine accidents.• The Administration should also consider establishing principal fairways in coastal waters.
11.	Mr WAN Chi-kwong	<ul style="list-style-type: none">• LC Paper No. CB(4)1444/16-17(01) (Chinese version only)
12.	Lantau Airport Fairway Concern Group	<ul style="list-style-type: none">• Establishment of a new principal fairway would affect the livelihood of fishermen.• The Administration should pay heed to views from different stakeholders on the proposal to establish a new principal fairway.