

立法會
Legislative Council

LC Paper No. CB(1)1371/18-19
(These minutes have been
seen by the Administration)

Ref : CB1/PL/DEV

Panel on Development

Minutes of special meeting
held on Friday, 1 March 2019, at 11:00 am
in Conference Room 2 of the Legislative Council Complex

Members present : Hon LEUNG Che-cheung, SBS, MH, JP (Chairman)
Hon Kenneth LAU Ip-keung, BBS, MH, JP (Deputy
Chairman)
Hon Abraham SHEK Lai-him, GBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon MA Fung-kwok, SBS, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, BBS, JP
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, BBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon Wilson OR Chong-shing, MH
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP

Hon HUI Chi-fung
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon Jeremy TAM Man-ho
Hon Gary FAN Kwok-wai
Hon Vincent CHENG Wing-shun, MH
Hon Tony TSE Wai-chuen, BBS

Members attending : Hon Steven HO Chun-yin, BBS
Hon KWONG Chun-yu

Members absent : Hon Tommy CHEUNG Yu-yun, GBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon Michael TIEN Puk-sun, BBS, JP

Public officers attending : **Agenda item I**

Mr Michael WONG Wai-lun, JP
Secretary for Development

Ms Bernadette LINN Hon-ho, JP
Permanent Secretary (Planning and Lands)
Development Bureau

Ms Doris HO Pui-ling, JP
Deputy Secretary (Planning and Lands)¹
Development Bureau

Mr Vincent MAK Shing-cheung, JP
Deputy Secretary (Works)²
Development Bureau

Miss Cheryl CHOW Ho-kiu
Principal Assistant Secretary (Planning and Lands)²
Development Bureau

Clerk in attendance : Ms Doris LO
Chief Council Secretary (1)²

Staff in attendance : Mr Raymond CHOW
Senior Council Secretary (1)10

Ms Christina SHIU
Legislative Assistant (1)2

Action

I Government's response to Report of the Task Force on Land Supply

(issued by the Task Force on Land Supply on 31.12.2018) — Report of the Task Force on Land Supply entitled "Striving for Multi-pronged Land Supply"

File Ref: DEVB(PL-CR) 13/2006 — Legislative Council Brief on Government's response to Report of the Task Force on Land Supply

LC Paper No. CB(1)639/18-19(01) — Paper on the public engagement by the Task Force on Land Supply prepared by the Legislative Council Secretariat (Updated background brief)

With the aid of a powerpoint presentation, Secretary for Development ("SDEV") and Permanent Secretary (Planning and Lands), Development Bureau ("PS(P&L)/DEVB"), briefed members on the Administration's full acceptance of and detailed response to the recommendations of the Task Force on Land Supply ("TFLS") on land supply strategy and land supply options made in its Report.

(Post-meeting note: A soft copy of the powerpoint presentation materials (Chinese version only) was circulated to members vide LC Paper No. CB(1)656/18-19(01) by email on 1 March 2019.)

Public engagement exercise and consultation on the land supply options by the Task Force on Land Supply

2. The Deputy Chairman opined that TFLS's Report was not comprehensive as the collection of views in the public engagement ("PE")

exercise conducted by TFLS were confined only to the 18 land supply options identified by TFLS yet without giving a full account of the necessary information (e.g. estimated costs, social implications, pros and cons as well as timing of supplying land by different options) to facilitate informed choices by the respondents, and the questionnaire used contained leading questions. Mr Frankie YICK shared similar views. Dr CHENG Chung-tai also considered it pointless seeking public views on the land supply options without setting out the cost of each option.

3. Mr LAU Kwok-fan asked whether the Administration would, before taking forward any specific development proposals in accordance with the eight priority land supply options recommended by TFLS, conduct consultations anew to gauge the views of relevant stakeholders, including the concerned District Councils ("DCs") and local communities with respect to the particular impact of individual proposal.

4. SDEV replied that the community in general showed appreciation and recognition to the work of TFLS and the extensiveness of its PE exercise which collected a wide range of views from different sectors of society. While TFLS had tendered its recommendations on land supply strategy and land supply options from the strategic level based on the public views collected, it would be the Administration's responsibility to consider how the priority land supply options and development proposals should be taken forward along the directions recommended by TFLS. When considering and implementing individual development proposals, the Administration would carefully examine the implications (e.g. traffic impact) and consult relevant stakeholders including DCs in accordance with the established procedures.

Infrastructure-led development approach

5. Mr HO Kai-ming and Dr Elizabeth QUAT worried that the Administration might not be able to achieve the target of prioritizing transport infrastructure development for most of the land supply options, except the artificial islands near Kau Yi Chau. Mr HO was concerned about the coordination among various government bureaux/departments in ensuring the provision of sufficient transport infrastructure for the residents of new developments when they moved in. Dr QUAT enquired about the Administration's measures to relieve the traffic pressure in New Territories ("NT") East to be brought by various development projects there. Mr LAU Kwok-fan asked if the Administration would first develop a new rail/road link in NT to cater for the clustering of various land supply options in the region.

6. SDEV replied that an infrastructure-led approach would be adopted as part of the enhanced land supply strategy. For example, to address the transport needs of the additional population from the Kwu Tung North and Fanling North New Development Areas ("NDAs") and NT North Development, the Administration was in the process of planning a number of major transport infrastructure projects in NT, including the Northern Link involving a new station in Kwu Tung North, advancing the junction improvement works at Tai Tau Leng Roundabout, and exploring the feasibility of developing large-scale transport infrastructure in NT East. The Administration would also study, as part of the Lantau Tomorrow Vision ("LTV"), the construction of strategic road and rail links connecting the artificial islands in the Central Waters, the Hong Kong Island, North Lantau and coastal areas of Tuen Mun.

7. Mr Tony TSE hoped that the Administration would adopt a people-oriented development strategy to cater for the various needs of the prospective residents, and be mindful not to put undue focus on the supportive transport infrastructure development as in the case of the artificial islands of the Hong Kong-Zhuhai-Macao Bridge ("HZMB") that was developed to serve only one single function of a transport node. SDEV said that the Airport Authority Hong Kong ("AA") had been invited by the Government to conduct a study on the topside development at the Hong Kong Boundary Crossing Facilities of HZMB. The study was underway.

Land supply options recommended by the Task Force on Land Supply

Artificial Islands in the Central Waters

8. The Chairman welcomed the LTV proposal as the associated transport infrastructure could at the same time improve the transport links of NT Northwest. He asked about the time required for completing the proposed studies related to the artificial islands in the Central Waters ("the proposed studies"), and whether the Administration would expedite the development of the artificial islands so as to alleviate the traffic problems faced by the residents of NT Northwest. Mr Frankie YICK also indicated support for developing the artificial islands in the Central Waters. Ms Alice MAK urged the Administration to put up the proposed studies to the Panel on Development ("the Panel") for discussion as soon as possible.

9. SDEV said that given the strategic importance and huge potential of the artificial islands in the Central Waters, the Administration would strive to expedite this project and compress the development programme by carrying out various tasks simultaneously as far as possible, with a view to

commencing the reclamation works in 2025 to achieve first population intake in 2032 the earliest. For example, the proposed studies, which would take 42 months to complete, would be conducted in parallel to the formulation of the Outline Development Plan. To this end, the Administration would brief the Panel on the proposed studies at the meeting on 26 March 2019.

10. Ms Tanya CHAN pointed out that the soaring price of marine sand for reclamation was said to have led to cost overruns and delays of the Three-Runway System ("3RS") project, and she worried that the development of East Lantau Metropolis ("ELM") would face the same problems and become a bottomless pit. She considered it unreasonable for the Administration to put all focuses on developing ELM. Given the spate of construction blunders related to railway projects, Ms CHAN was deeply concerned over the entrustment of the construction of the associated railway network in future to the MTR Corporation Limited ("MTRCL"), which would undesirably enhance MTRCL's monopoly at the expense of public interest. Dr CHENG Chung-tai asked if the Administration had sufficient fiscal reserve to take forward the land supply options, taking into account the risk of a fiscal deficit in future. Mr CHAN Chi-chuen expressed opposition against the artificial islands proposal.

11. SDEV said that for the proposed reclamation works of the artificial islands near Kau Yi Chau, inert construction materials instead of marine sand would be the main source of fill materials and contribute to at least half of the required fill materials. The ongoing reclamation works in Tung Chung East was a relevant and most recent example of using manufactured sand as a major source of fill materials. As regards the reclamation works of the 3RS project, he advised that according to a statement issued by AA recently, the project would be completed on schedule and within budget.

12. SDEV further advised that in view of the public concerns over the cost of developing artificial islands in the Central Waters, the Administration would, on an exceptional basis, provide a ballpark estimate on the construction costs of reclamation works and the associated transport infrastructure at the Panel meeting on 26 March 2019. SDEV also said that the Administration would in parallel take forward other land supply options and development projects steadfastly, including the development of brownfield sites and various NDAs in NT.

13. Dr Fernando CHEUNG doubted about the seriousness of the land shortage problem claimed by the Administration. Given that new flats built in the past few decades outnumbered new households, he opined that

the housing shortage problem should instead be attributed to unfair allocation between private and public housing land. Dr CHEUNG also considered that land supply options with least impact on the environment and the original residents, such as alternative uses of sites under Private Recreational Leases ("PRL"), should be pursued instead of reclamation.

14. SDEV replied that according to the analysis of the Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030 ("Hong Kong 2030+ Study") promulgated during the PE of the Hong Kong 2030+ study in 2016, the total housing demand for 30 years up to 2046 was estimated to be about 1 000 000 units. About half of these housing flats were to cater for an increase in the number of households, around 100 000 flats to accommodate the inadequately housed households, and the remaining 300 000 flats to rehouse those affected by redevelopment of aged buildings. Compared with other efforts in increasing land supply involving existing land such as rezoning, increasing development intensity and redevelopment which could deliver some 610 000 flats in the short to medium run in total, the proposed artificial islands near Kau Yi Chau alone could provide about 150 000 to 260 000 new flats. By creating new land in the Central Waters through reclamation, the proposed artificial islands could help avoid over-concentrating new developments and hence additional population in NT, and distribute population more evenly in the territory.

15. Dr KWOK Ka-ki worried that the total potential private housing supply of only about 15 500 flats in 2019-2020 would only keep property prices at a sky-high level; yet by relying too much on the long-term measure of LTV to boost land supply, the Administration would not be able to address the pressing problem of housing shortage in the short term. He considered that the Administration should take quick-win initiatives, such as resumption of Fanling Golf Course ("FGC") for housing development.

16. SDEV emphasized that the Administration had been adopting a multi-pronged strategy to increase land supply, covering both short-to-medium term and medium-to-long term measures. Whilst there was acute shortage of land supply for housing and other uses, the Administration had been putting in strenuous efforts to expedite land development to make up the shortfall, including taking forward the NDA projects in full steam.

Near-shore reclamation outside Victoria Harbour

17. Mr Steven HO said that he would not support the Administration's reclamation projects if no concrete proposals were made to address the concerns of fishermen groups. As mentioned in paragraphs 5.58 and 5.63 of the Report of TFLS, the Administration should consider the views of stakeholders (including fishermen groups) and the impact on the development of the fishery industry, and make appropriate responses and compensation when taking forward near-shore reclamation outside Victoria Harbour. He was disappointed that the existing environmental impact assessment mechanism failed to mitigate the impact of a development project on the fishery and agricultural sectors, and he urged the Administration to formulate new policy to address this issue.

18. SDEV explained that the proposed studies included, among others, a study on the potential impact of the reclamation on the fisheries. In addition, a Special Agricultural Land Rehabilitation Scheme would be launched by the Administration to assist farmers affected by the NDA projects.

19. Mr Frankie YICK expressed support for near-shore reclamation outside Victoria Harbour, and queried why the proposed reclamation at Ma Liu Shui would be put on hold despite that the road widening works on Tai Po Road (Sha Tin Section) had been carried out to relieve the traffic congestion there.

20. Mr CHAN Chi-chuen asked about the amount of funding required to conduct a further review/study on the proposed reclamation at Ma Liu Shui while putting the reclamation proposal on hold. He took the view that the Administration should directly shelve this proposal, as it was by no means able to address public concerns over traffic impact and housing mix of the reclamation proposal despite the considerable time and resources hitherto spent. Relaying the opposing views of the local communities on the proposed reclamation at Ma Liu Shui, Dr Elizabeth QUAT also urged the Administration to shelve the reclamation proposal.

21. SDEV advised that the Administration proposed to take forward detailed studies for the reclamation projects at Lung Kwu Tan and its adjacent areas in Tuen Mun West, Sunny Bay and Siu Ho Wan (for construction of Road P1) in North Lantau. The plan was to seek funding approval from the Finance Committee ("FC") for the relevant studies in the second half of 2019. For the Ma Liu Shui project, the Administration noted the concerns of the local communities over traffic impact of the

proposed reclamation and would in due course look into possible ways to address such concerns. For example, consideration could be given to explore the feasibility of developing the reclamation site into a vehicle-free community with the provision of feeder services to and from railway stations. The local communities would be consulted in due course.

22. Mr CHU Hoi-dick said that while objecting to reclamation, he considered near-shore reclamation, with less infrastructure required and hence lower cost incurred, a better option than developing ELM. Pointing out that a preliminary feasibility study on Container Terminal 10 at Tsing Yi Southwest had been conducted in 2014, Mr CHU queried why the Administration stated at this time that it had no intention to proceed with the proposed reclamation at Tsing Yi Southwest given the significant site constraints.

23. SDEV replied that with the slowdown in the development of container port industry in recent years, the need for the proposed Container Terminal 10 was not obvious. The development potential of Tsing Yi Southwest was also severely constrained by the existence of five oil depots. Given these considerations, the Administration decided not to proceed with the reclamation proposal at Tsing Yi West.

Resumption of the Fanling Golf Course site

24. Mr Gary FAN criticized the Administration for turning a blind eye to the mainstream public opinions supporting the resumption of the whole FGC site for housing development and the shelving of the ELM proposal. Mr KWONG Chun-yu was dissatisfied with the Administration's plan to resume only part of the FGC site instead of the whole of it to meet the imminent housing needs of the society. Mr CHAN Chi-chuen expressed similar views. Ms Tanya CHAN held that the Administration should proceed with the option of resuming FGC rather than other more complex options like developing periphery of country parks. She did not agree with the opposition views against the resumption of the FGC site claiming that the site should be retained for golf tournaments.

25. Ms Alice MAK expressed support for the Administration to first develop the 32 hectares ("ha") of land of FGC to the east of Fan Kam Road, but called on the Administration to also study the development of the remaining 140 ha of land of FGC. Mr Jeremy TAM also asked whether the Administration would study the development of the remaining 140 ha of land as well as other sports and recreational sites held by private sports clubs under PRL.

26. The Deputy Chairman declared that he was a member of the Hong Kong Golf Club ("HKGC") and Chairman of Heung Yee Kuk ("HYK"). Given the historic and ecological values of FGC and that it was an important golf training and competition venue, he expressed opposition on behalf of HYK to TFLS's recommendations that the Administration should accord priority to studying and resuming the 32 ha of land of FGC. There was also concern over the overloading of local traffic due to the prospective housing development. Mr Frankie YICK stated that members belonging to the Liberal Party objected to the proposed resumption of the FGC site. The Deputy Chairman and Mr YICK said that golf was a sport not just for the rich and privileged but for everyone, and opined that the Administration should avoid tilting towards a populist stance when making decisions on the land supply options.

27. Mr Abraham SHEK declared that he was a member of HKGC. He considered it not appropriate for the Administration to tilt towards a populist stance and base heavily on the public views collected during the PE exercise, whilst without looking into the traffic, ecological and conservation implications of resuming the 32 ha of land of FGC for housing development before accepting this recommendation.

28. Mr MA Fung-kwok also expressed opposition to the resumption of the FGC site. He suggested that instead of resuming FGC for housing development, the Administration should consider making FGC fully open to the public or turning the FGC site into other recreational facilities.

29. Mr Tony TSE queried if the Administration's plan of resuming the 32 ha of land of FGC for housing development had been proven feasible by any studies according to established procedures and requirements. If not, he was concerned about the negative public perception over the Administration's decision making given that as for the proposed development of the periphery of country parks, the Administration had also directly decided not to pursue this option without waiting for the conclusion of the feasibility study.

30. SDEV responded that TFLS's recommendation of according priority to studying and resuming the 32 ha of land of FGC to the east of Fan Kam Road was based on an extensive PE, the tens of thousands of views collected from different stakeholders and the general public, as well as TFLS's analysis of all views received. Taking into account TFLS's recommendation, the Administration had decided to develop the 32 ha of land for housing development. He supplemented that a preliminary study conducted by the Administration earlier suggested that about 4 600 flats could be built on the 32 ha of land of FGC, and about half of the

development site would be used as public green to preserve the existing trees and landscape as far as possible. Further to this preliminary study, the Administration would conduct a detailed technical study to ascertain the highest flat yield attainable and assess the scope of infrastructural works required to support the proposed housing development on the 32 ha of land of FGC. Compared to the full development option of using the entire FGC site, the infrastructural works required to support partial development was expected to be relatively limited. In light of the longer lead time for full development and also taking into account the value of the FGC site to sports development in Hong Kong, the Administration had no plan to pursue any alternative land uses regarding the remaining 140 ha of land of FGC, the lease of which would be renewed up to the end of June 2027 in accordance with the policy on PRL and thereafter subject to further review. Assistance would be offered to HKGC, if necessary, for organizing large-scale tournaments at the remaining 140 ha of land. As for other sports and recreational sites held by private sports clubs under PRL, the Administration had no plan to develop these sites and would at this stage focus its efforts in taking forward the eight land supply options as recommended by TFLS.

31. Mr Jeremy TAM enquired about the Government rent and land premium amount payable under the special three-year hold-over arrangement for the 32 ha of land of FGC after expiry of the current lease of FGC in 2020 and before the land was reverted to the Government.

32. SDEV replied that according to results of the PRL policy review by the Home Affairs Bureau, over 20 private sports clubs would be required to pay a concessionary premium to be set at one-third of the full market value. As a transitional arrangement, the concessionary premium would only be charged after expiry of their leases in 2026/2027, and before then only a nominal land premium would be levied. As for FGC, after expiry of its current lease in 2020, the 32 ha of land identified for housing development would be subject to a special three-year hold-over arrangement, whereas the lease for its remaining 140 ha would be renewed to cover a period up to the end of June 2027 at nominal land premium in the same way as the other PRL sites. PS(P&L)/DEVB supplemented that the private sports clubs concerned were still required to pay Government rent, and the salient terms of the current lease would equally apply during the special hold-over arrangement for the 32 ha of land of FGC.

33. Mr LAU Kwok-fan was worried about the traffic issues arising from the housing development at FGC, and asked if the Administration would still proceed with the development in case the traffic impact assessment

indicated that the transport infrastructure to be constructed in the short-to-medium term was insufficient to address the issues.

34. SDEV advised that according to the preliminary study, a section of Fan Kam Road had to be widened to support the housing development at the 32 ha of land of FGC. The detailed technical study to be conducted would explore possible traffic improvement measures to support the housing development on the 32 ha of land in the FGC site in a timely manner.

Developing brownfield sites

35. Mr Frankie YICK concurred with the views of TFLS that there were active operations on brownfield sites which made up an integral part of the local industries. He said that the brownfield operators would not object to the proposal of resuming brownfield sites for development, but the Administration had to provide land to accommodate the affected operators and ensure that those relocated to the multi-storey buildings would be charged at an affordable rent level. Ms Alice MAK expressed support for developing brownfield sites and urged the Administration to properly relocate/rehouse the affected brownfield operators and residents.

36. PS(P&L)/DEVB said that with the approval of FC in July 2018, the Administration had relaxed the eligibility criteria of applicable ex-gratia allowances for business undertakings on brownfields. While it was not the Administration's policy to provide land for reprovisioning the affected business undertakings, the Administration would offer assistance and facilitation on planning and land issues to affected operators who wished to re-establish their business in other areas.

Tapping into private agricultural land reserve in the New Territories

37. Mr Frankie YICK expressed support for the Land Sharing Pilot Scheme ("LSPS"), which sought to unlock the development potential of private agricultural land in NT for housing development, and believed that the Scheme would be a faster way to increase land supply compared with other land supply options. The Chairman and Mr YICK called upon the Administration to implement LSPS under a highly transparent mechanism so as to allay public concerns over possible government-business collusion.

38. Mrs Regina IP also considered that the use of private agricultural land reserve in NT through public-private partnership ("PPP") would be a faster way to increase land supply. Mrs IP sought details about LSPS,

including the application procedures, deduction arrangement of the cost of infrastructure investment from land premium, whether the public housing developed through LSPS would be in more remote locations, etc. She also enquired how the Administration would monitor the quality of infrastructural works to be developed under the Scheme. Ms Alice MAK enquired about the penalties to be imposed on the participating private developers who failed to meet the requirements of LSPS. The Chairman asked if the Administration would consult the Panel on the implementation framework of LSPS before seeking the endorsement of the Chief Executive-in-Council ("CE-in-Council").

39. Mr Abraham SHEK opined that while the proposed resumption of the FGC site yielded a mere 32 ha of land, the Administration should rather go for using the extant of no less than 1 000 ha private agricultural land in NT for housing development. He then asked about the Administration's plan to tap into such private agricultural land reserve.

40. Dr KWOK Ka-ki had reservation about the use of private agricultural land reserve in NT through PPP as it might give rise to government-business collusion.

41. SDEV and PS(P&L)/DEVB explained that LSPS was one of the possible short-to-medium term measures to boost land supply as pointed out by TFLS. Pending the drawing up of further details, it was envisaged that about 60% to 70% of the additional gross floor area of the site under application in the context of LSPS would be dedicated for public housing development. Yet, not all the private agricultural land lots would be suitable for high-density development as some might fall within ecologically sensitive areas. The Administration was in the process of formulating details of the implementation framework for LSPS in accordance with the directional pointers set out in the Chief Executive's Policy Address 2018. These included the eligibility criteria for the Scheme, proposed mechanism to deduct the cost of infrastructural works from land premium, and the provision for transparency in processing the applications. The initial plan was to roll out the Scheme and invite applications in the second half of 2019 after seeking CE-in-Council's endorsement of the proposed framework. On the quality of construction works, the Administration had worked with the Construction Industry Council to strengthen the construction manpower training.

Developing areas on the periphery of country parks

42. The Deputy Chairman considered it not appropriate for the Administration to stop pursuing the alternative land use of country park

periphery before the Hong Kong Housing Society ("HKHS") had concluded the relevant feasibility study. Mr Frankie YICK and Mr MA Fung-kwok considered that the Administration should explore developing the damaged land on country park periphery, rather than demolishing FGC for development.

43. SDEV replied that as suggested by the observations of TFLS in its Report, the land supply option of developing the periphery of country parks had failed to garner clear majority support from the general public and hence was not included by TFLS as one of the eight recommended options. In light of the strong reservation in the community and given the hurdles and complexities involved in pursuing development on country park periphery as compared with other medium-to-long term options, the Administration had accepted TFLS's views and decided not to further pursue this option. To this end, the Administration would request HKHS not to proceed further with the feasibility study after completion of those fact-finding tasks already commenced.

Other land supply options

44. Ms Alice MAK supported the Administration to initiate a study on the re-planning of the coastal areas of Tuen Mun including the River Trade Terminal site and suggested that the study should also look into the transport facilities of the area. Mr MA Fung-kwok was disappointed that TFLS had not considered his suggestion of developing "enclave economies" as a long-term measure to increase land supply.

45. Mr Tony TSE called on the Administration to immediately take forward underground space development projects, such as constructing underground carpark underneath the parks (e.g. Hoi Sham Park in To Kwa Wan), without needing to wait for the results of the pilot studies on underground space development in selected strategic urban areas.

46. SDEV took note of Mr TSE's suggestion and advised that relocation works of the Sha Tin Sewage Treatment Works and the Diamond Hill Fresh Water and Salt Water Service Reservoirs to caverns, as well as the study on developing the underground space beneath Kowloon Park, were underway.

Other concerns

47. Mr Gary FAN noted that according to the qualitative analysis of the opinions received by TFLS during the PE exercise, there were 6 415 comments about the causes of land supply shortage, including 4 308 about

population (e.g. controlling population growth, reducing the number of One-way Permits ("OWP")). He queried why the Administration turned a deaf ear to these opinions, and whether the Development Bureau ("DEVB") had provided views on the impact of population policy on land demand to CE for consideration. Dr CHENG Chung-tai opined that when exploring ways to increase land supply, matters relating to population policy should also be discussed.

48. SDEV replied that the Administration had explained on various occasions the purpose of OWP, which was to allow for family reunion.

49. Mr CHU Hoi-dick opined that the Administration had failed to give clear and solid figures to substantiate the land demand of at least 1 200 ha up to 2046. Having regard to the imminent demand for transitional housing and the expected land shortfall of about 800 ha in the coming 10 years, Mr CHU asked about the short-term land supply measures to address the needs.

50. SDEV advised that the Transport and Housing Bureau ("THB") was responsible for the policy and measures to facilitate the development of transitional housing. DEVB would offer assistance to THB such as identifying suitable sites.

51. Mr Gary FAN sought details about the composition and terms of reference of the Steering Committee on Land Supply ("the Steering Committee") chaired by the Financial Secretary after the proposed expansion, including whether the Steering Committee would consider adopting alternative funding and execution arrangements (e.g. issuing bonds instead of seeking funds from FC) for major development projects in order to evade checks by the Legislative Council ("LegCo"). Mr CHU Hoi-dick also sought details about the alternative funding and execution arrangements for major development projects.

52. SDEV replied that the Steering Committee upon its expansion in terms of reference and membership would comprise representatives from the 13 policy bureaux. The Administration would, as appropriate, consider different funding and execution arrangements for major development projects and would consult LegCo should there be concrete proposals.

Motions proposed by members

53. The Chairman advised that he had received a total of three motions proposed by Mr Gary FAN, Mr CHAN Chi-chuen and Mr LAU Kwok-fan

respectively. The Chairman considered that all of the proposed motions were directly related to the agenda item under discussion. Members agreed that these motions be proceeded with at the meeting. The Chairman then ordered that the voting bell be rung for five minutes.

Motion proposed by Mr Gary FAN

54. Mr Gary FAN read out his proposed motion:

(Translation)

"This Panel opposes the Government's implementation of the proposal to carry out large-scale reclamation to construct artificial islands and urges the Government to accord priority to the development of brownfield sites as well as to develop idle military sites and sites under PRL."

55. The Chairman put the motion to vote. The Chairman ordered a division. Nine members voted for, and 11 members voted against the motion. No member abstained. The votes of individual members were as follows:

For:

Mr CHAN Chi-chuen
Dr Helena WONG
Mr Andrew WAN
Ms Tanya CHAN
Mr Gary FAN
(9 members)

Dr Fernando CHEUNG
Mr Alvin YEUNG
Mr CHU Hoi-dick
Dr CHENG Chung-tai

Against:

Mr Frankie YICK
Mr CHAN Han-pan
Dr Elizabeth QUAT
Mr Holden CHOW
Mr CHEUNG Kwok-kwan
Mr Vincent CHENG
(11 members)

Mr MA Fung-kwok
Ms Alice MAK
Ir Dr LO Wai-kwok
Mr Wilson OR
Mr LAU Kwok-fan

Abstain:

(0 member)

56. The Chairman declared that the motion was negatived.

Motion proposed by Mr CHAN Chi-chuen

57. Mr CHAN Chi-chuen read out his proposed motion:

(Translation)

"This Panel requests the Administration to shelve the Ma Liu Shui reclamation project and halt the studies concerned, so as to ensure that the quality of life of the nearby communities will not deteriorate due to the Ma Liu Shui reclamation project, and to allay the concerns of the residents in the nearby communities."

58. The Chairman put the motion to vote. The Chairman announced that 16 members voted for, two members voted against the motion and two members abstained. The Chairman declared that the motion was carried.

Motion proposed by Mr LAU Kwok-fan

59. Mr LAU Kwok-fan read out his proposed motion:

(Translation)

"The Government has accepted the recommendation of TFLS on converting 32 ha of the land of FGC for residential development. Given that there are already a number of large-scale residential development projects being implemented currently in the North District, including the Kwu Tung North and Fanling North NDAs and the public housing development at Queen's Hill, which are expected to bring about a population increase of more than 200 000 in the North District; and that the existing local and external traffic capacity of the North District is already close to saturation, it is necessary for the authorities to put forward a comprehensive traffic improvement proposal before studying the conversion of 32 ha of the land of FGC for residential development.

Meanwhile, among the recommendations of TFLS, those involving the development of brownfield sites, the use of the private agricultural land reserves in NT and the development of more NDAs in NT are all focused on NT. At present, there is a long-standing situation of heavy loads on transport routes connecting NT and the urban areas in Kowloon, especially on Tolo Highway and the East Rail Line, with the carrying capacity of both reaching saturation. This Panel urges the authorities to study expeditiously the provision of additional highways and railways to connect NT and the urban

areas, so as to cope with the transport pressure arising from the population increase in the district and avoid a situation of prolonged external traffic congestion in NT which will cause inconvenience to the daily life of the existing and future residents in the district."

60. The Chairman put the motion to vote. The Chairman announced that 15 members voted for, no member voted against the motion and one member abstained. The Chairman declared that the motion was carried.

(Post-meeting note: The wording of the two motions passed was circulated to members vide LC Paper Nos. CB(1)657/18-19(01) and (02) by email on 5 March 2019. The Administration's responses to the two motions passed were circulated to members vide LC Paper No. CB(1)785/18-19(01) on 26 March 2019 and LC Paper No. CB(1)878/18-19(01) on 10 April 2019 respectively.)

[At 12:42 pm, the Chairman directed that the meeting be extended for 15 minutes to 1:15 pm.]

II Any other business

61. There being no other business, the meeting ended at 1:14 pm.

Council Business Division 1
Legislative Council Secretariat
14 October 2019