

立法會
Legislative Council

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(These minutes have been
seen by the Administration)

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Finance Committee of the Legislative Council

Minutes of the 33rd meeting
held in Conference Room 1 of the Legislative Council Complex
on Friday, 16 July 2021, from 3:06 pm to 5:06 pm

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, SBS, JP
Hon WONG Kwok-kin, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBM, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon YIU Si-wing, SBS
Hon MA Fung-kwok, GBS, JP
Hon CHAN Han-pan, BBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP
Hon KWOK Wai-keung, JP
Hon Christopher CHEUNG Wah-fung, SBS, JP
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP

Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kwok, GBS, MH, JP
Hon CHUNG Kwok-pan
Hon Jimmy NG Wing-ka, BBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon CHEUNG Kwok-kwan, JP
Hon LAU Kwok-fan, MH, JP
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS, JP

Members absent:

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon LUK Chung-hung, JP

Public officers attending:

Ms Alice LAU Yim, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Mr Raistlin LAU Chun, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Miss CHAN Cheuk Yin, Jennie	Principal Executive Officer (G), Financial Services and the Treasury Bureau (The Treasury Branch)
Ms May CHAN Wing-shiu, JP	Deputy Secretary for Financial Services and the Treasury (Financial Services) 1
Ms Eureka CHEUNG Yi	Principal Assistant Secretary for Financial Services and the Treasury (Financial Services) 5
Ms CHUNG Wing-man	Acting Assistant Commissioner of Police (Crime)

Ms LAM Man-han	Chief Superintendent of Police (Financial Intelligence and Investigation Bureau)
Mr Frankie FONG Yiu-hang	Chief Systems Manager (Information Technology Branch), Hong Kong Police Force
Mr Joseph YAP Wah-yong	Senior Systems Manager (Operations Systems), Hong Kong Police Force
Ms Bernadette LINN Hon-ho, JP	Permanent Secretary for Development (Planning and Lands)
Mr Vic YAU Cheuk-hang, JP	Deputy Secretary for Development (Planning and Lands) 1
Mr David LAM Chi-man	Principal Assistant Secretary for Development (Planning and Lands) 5
Mr Ricky LAU Chun-kit, JP	Director of Civil Engineering and Development
Mr LAI Cheuk-ho, JP	Project Manager (North), Civil Engineering and Development Department
Miss Winnie LAU Bo-ye	Assistant Director of Planning (Territorial)
Ms Amy WONG Pui-man	Deputy Secretary for Transport and Housing (Transport) 2
Mr Nick CHOI Chi-kit	Principal Assistant Secretary for Transport and Housing (Transport) 4
Mr PANG Yiu-hung, JP	Director of Electrical and Mechanical Services
Mr CHAN Chau-fat, JP	Assistant Director of Electrical and Mechanical Services (Railways)

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
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Staff in attendance:

Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Miss Queenie LAM	Senior Legislative Assistant (1)2
Mr Frankie WOO	Senior Legislative Assistant (1)3
Miss Yannes HO	Legislative Assistant (1)7

Action

The Chairman reminded members of the requirements under Rule 83A and Rule 84 of the Rules of Procedure.

**Item 1 — FCR(2021-22)50
RECOMMENDATION OF THE ESTABLISHMENT
SUBCOMMITTEE MADE ON 23 JUNE 2021**

**EC(2021-22)8
HEAD 33 — CIVIL ENGINEERING AND DEVELOPMENT
DEPARTMENT
Subhead 000 — Operation Expenses**

2. The Chairman advised that this item sought the approval of the Finance Committee ("FC") for the recommendation made by the Establishment Subcommittee ("ESC") at its meeting on 23 June 2021 regarding EC(2021-22)8, i.e. the creation of one supernumerary post of Chief Engineer (D1) in the Civil Engineering and Development Department ("CEDD") to cope with the workload arising from public housing developments with immediate effect upon approval of FC up to 31 March 2026.

3. The Chairman advised that no member had requested that the recommendation be voted on separately at the FC meeting.

Voting on FCR(2021-22)50

4. At 3:07 pm, the Chairman put item FCR(2021-22)50 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

**Item 2 — FCR(2021-22)51
RECOMMENDATION OF THE ESTABLISHMENT
SUBCOMMITTEE MADE ON 23 JUNE 2021**

**EC(2021-22)2
HEAD 62 — HOUSING DEPARTMENT
Subhead 000 — Operational expenses**

5. The Chairman advised that this item sought FC's approval for the recommendation made by ESC at its meeting on 23 June 2021 regarding EC(2021-22)2, i.e. the creation of one supernumerary post of Administrative

Officer Staff Grade C (D2) in the Housing Department with immediate effect upon approval of FC up to 31 March 2025 to oversee the operation of the Task Force on Transitional Housing.

6. The Chairman advised that no member had requested that the recommendation be voted on separately at the FC meeting.

Voting on FCR(2021-22)51

7. At 3:08 pm, the Chairman put item FCR(2021-22)51 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

Item 3 — FCR(2021-22)52

**RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 30 JUNE 2021**

PWSC(2021-22)25

**HEAD 708 — CAPITAL SUBVENTIONS AND MAJOR SYSTEMS
AND EQUIPMENT**

Universities

The Chinese University of Hong Kong

**63EF — Renovation of Facilities in Choh-Ming Li Basic Medical
Sciences Building (Remaining Works)**

8. The Chairman advised that this item sought FC's approval for the recommendation made by the Public Works Subcommittee ("PWSC") at its meeting on 30 June 2021 regarding PWSC(2021-22)25, i.e. the upgrading of 63EF "Renovation of Facilities in Choh-Ming Li Basic Medical Sciences Building (Remaining Works)" to Category A at an estimated cost of \$57.2 million in money-of-the-day ("MOD") prices.

9. The Chairman advised that no member had requested that the recommendation be voted on separately at the FC meeting.

10. In respect of the public works items to be considered at this meeting, the Chairman declared that he was an Executive Director and the Chief Executive Officer of Well Link Insurance Group Holdings Limited. He was also a Director of Well Link General Insurance Company Limited and Well Link Life Insurance Company Limited, both under the Well Link Insurance Group.

Voting on FCR(2021-22)52

11. At 3:09 pm, the Chairman put item FCR(2021-22)52 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

Item 4 — FCR(2021-22)53

CAPITAL WORKS RESERVE FUND

HEAD 710 — COMPUTERISATION

Hong Kong Police Force

New Subhead — "Development of Financial Data Analytic Platform for the Hong Kong Police Force"

12. The Chairman advised that this item sought FC's approval for the creation of a new commitment of \$698,113,000 for the development of a Financial Data Analytic Platform. The Financial Services and the Treasury Bureau had consulted the Panel on Financial Affairs on the relevant proposal on 5 July 2021.

Voting on FCR(2021-22)53

13. Members raised no questions on the item. At 3:10 pm, the Chairman put item FCR(2021-22)53 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

Item 5 — FCR(2021-22)54

RECOMMENDATION OF THE PUBLIC WORKS SUBCOMMITTEE MADE ON 30 JUNE 2021

PWSC(2021-22)26

HEAD 707 — NEW TOWNS AND URBAN AREA DEVELOPMENT

Civil Engineering — Land Development

852CL — First Phase Development of the New Territories North - San Tin/Lok Ma Chau Development Node

854CL — Remaining Phase Development of the New Territories North (NTN) - Planning and Engineering Study for NTN New Town and Man Kam To

14. The Chairman advised that this item sought FC's approval for the recommendation made by PWSC at its meeting on 30 June 2021 vide PWSC(2020-21)26 regarding:

- (a) the upgrading of part of 852CL "First Phase Development of the New Territories North - San Tin/Lok Ma Chau Development Node" as 864CL, entitled "First Phase Development of the New Territories North - investigation and design for San Tin/Lok Ma Chau Development Node" ("proposed investigation for San Tin/Lok Ma Chau Development Node ("STLMC DN")), to Category A at an estimated cost of \$793.8 million in MOD prices; and the retention of the remainder of 852CL in Category B; and
- (b) the upgrading of 854CL "Remaining Phase Development of the New Territories North - Planning and Engineering Study for New Territories North New Town and Man Kam To" ("proposed study for New Territories North ("NTN") New Town and Man Kam To ("MKT")) to Category A at an estimated cost of \$200.8 million in MOD prices.

Some members requested that the recommendation be voted on separately at the FC meeting. PWSC had spent about 1 hour 24 minutes on the scrutiny of the aforesaid recommendation.

Investigation and detailed works design for San Tin/Lok Ma Chau Development Node

Schedule of San Tin/Lok Ma Chau Development Node Project

15. Ir Dr LO Wai-kwok and Mr LAU Kwok-fan expressed support for the STLMC DN Project and called on the Administration to speed up the development progress; the Chairman suggested the Development Bureau ("DEVB") streamline and speed up the relevant procedures. Ir Dr LO, Mr Christopher CHEUNG and Ms Alice MAK were all of the view that the expected time frame of 52 months for the proposed investigation for STLMC DN was too long and urged the Administration to expedite the process. Ir Dr LO suggested the Administration carry out in tandem the investigation and public consultation for STLMC DN.

16. In response, Permanent Secretary for Development (Planning and Lands) ("PS/DEV(P&L)") advised that:

- (a) the Government proposed the North East New Territories ("NENT") Development Plan in as early as 2008, but was met with strong opposition back then. Therefore, the Government decided to focus on the development of Fanling North/Kwu

Tung North first, and the projects obtained funding approval from FC in 2019 for commencement; and

- (b) the time spans between the planning and engineering study and the commencement of construction of Kwu Tung North/Fanling North and Hung Shui Kiu New Development Areas ("NDAs") were 11 and 9 years respectively. The Government conducted a feasibility study on STLMC DN in 2019 and estimated then that it would take another five or six years before construction could start. Considering the need to complete all relevant land investigation and works design during the said period, the timetable had already been compressed substantially by comparison. The Government would strive to commence early the detailed design for certain works before completion of the proposed investigation for STLMC DN, in a bid to formally kick start the construction before 2025. On the other hand, the proposed study for NTN New Town and MKT was expected to complete in three years.

17. Mr LEUNG Che-cheung was concerned that the detailed design for STLMC DN might lack supervision and consultation, and called on the Government to consult relevant stakeholders then, such as the Legislative Council ("LegCo"), District Councils ("DCs") and Rural Committees ("RCs").

18. PS/DEV(P&L) explained that, according to general procedures, the Government would first apply funding for relevant development projects to carry out planning and engineering study which would take around three years to complete, and seek further funding after the study for detailed works design. To expedite the implementation of STLMC DN Project, the Government had already utilized the block allocation of CEDD in 2019 for initiating the feasibility study for STLMC DN. The Government estimated that at the time of commencement of the proposed investigation for STLMC DN, it would come up with recommendations on land uses enhancement; and environmental impact assessment, traffic assessment, detailed works design, etc. would also be conducted. Public consultation would take place during the process, including consultation with various stakeholders such as members of local communities, RCs and the LegCo.

Consultants and consultants' fees of the proposed investigation for San Tin/Lok Ma Chau Development Node

19. Ms Alice MAK sought the Administration's explanation on why the multiplier of 1.6 was applied to the average Master Pay Scale ("MPS") salary

point to estimate the cost of resident site staff ("RSS") supplied by the consultants. Ms MAK was of the view that the Administration should consider engaging consultants familiar with the Guangdong-Hong Kong-Macao Greater Bay Area to carry out the investigation, so as to fully leverage the development potential of NTN which was located favourably between Shenzhen and Hong Kong.

20. Director of Civil Engineering and Development ("DCED") explained that:

- (a) the Government drew reference from past experience in calculating consultants' fees as the basis for estimating the required workload and manpower demand, and applied a multiplier of 2.0 to the average MPS salary point (including employee benefits on top of basic salary, office expenses and support services, profits, etc.) to estimate the consultants' costs required. In respect of cost estimation for RSS supplied by consultants, a multiplier of 1.6 was applied to the average MPS salary point, excluding costs related to on-site offices accommodated by RSS, as the offices concerned were generally provided by the Government under the engineering contract, with costs incorporated in the relevant contract budget; and
- (b) the Government maintained a list of registered consultants and would invite different consultants to take part in tendering exercises depending on project nature and scale. The Government would take into account the consultants' professional services, manpower and experience etc. in selecting the right consultants. Mainland and foreign consultants were also welcome to register in Hong Kong and participate in tendering.

Initial land use plan

21. Regarding the initial land use plan of STLMC DN (set out in Annex 2 to Enclosure 1 to government paper PWSC(2021-22)26), Dr Junius HO enquired about:

- (a) the details of land use near San Tin Station, including sites for residential, enterprise and technology park development, etc.; and

- (b) if the site between Ki Lun Shan and Ngau Tam Shan was a brownfield site, whether it could be incorporated in the proposed investigation for STLMC DN.

22. PS/DEV(P&L) responded that:

- (a) according to the proposed initial land use distribution, San Tin Station in the south of STLMC DN was located within a commercial and residential site with relatively high development intensity; land was reserved in the north of STLMC DN for enterprise and technology park development; and
- (b) the site between Ki Lun Shan and Ngau Tam Shan included permitted burial ground, and did not mainly comprise brownfield sites.

23. Mr LAU Kwok-fan suggested the Administration increase the development intensity of residential site in STLMC DN to enhance housing supply in the area. Dr Junius HO said that, with about 33 hectares of residential land, STLMC DN could be expected to accommodate around 84 000 people based on a plot ratio of 3.5 to 7, representing an average living space of less than 200 sq ft per person. In this connection, he enquired whether the Administration could relax the plot ratio to more than 7, so as to provide residents with more ideal living space.

24. In response, PS/DEV(P&L) explained that:

- (a) the Government would consider views expressed by members at meetings of the Panel on Development, including requesting consultants to review whether there was room to reduce areas earmarked for green belts in the course of investigation, with a view to increasing land for housing development. However, some green belt land were burial sites for indigenous inhabitants, and retention was therefore recommended; and
- (b) the total plot ratio of the public housing site near San Tin Station was 7, similar to that of new towns such as Tung Chung and Kwu Tung North. As modern planning zones, NDAs should have relatively generous spatial layouts. To avoid excessive development intensity in NDAs, the Government generally would not adopt a plot ratio of 9 to 10. However, as regards the proposed housing site near San Tin Station with a total plot

ratio of less than 7, the Government would examine whether the plot ratio could be increased.

25. Mr Kenneth LAU declared that he owned land in San Tin. He expressed support for the Government to commence the STLMC DN Project as soon as possible. In light of the strategic location of the site with an expected capacity to accommodate 84 000 people in future, as well as the technology park project, Mr LAU was concerned and enquired whether the Government had consulted local residents and the RC on the plan to construct a columbarium in the area, and whether it would consider identifying an alternative site for the columbarium.

26. PS/DEV(P&L) replied that, as early as in 2011-2012, the Government had proposed the construction of a columbarium in San Tin, and the DC was consulted in 2012. Since the Food and Health Bureau ("FHB") was responsible for the consultation back then, DEVB currently did not have detailed information to ascertain whether the RC was consulted. DEVB had contacted FHB in this regard, and learnt that there was no intention to change the plan for constructing the columbarium.

Transport planning and support

27. Dr Junius HO expressed support for the proposed investigation for STLMC DN. Dr HO enquired about the number of stations on the Northern Link ("NOL") (including Kwu Tung Station and San Tin Station), the distance between each station and the schedule of consultation on the alignment of NOL.

28. PS/DEV(P&L) responded that, as recommended in the Railway Development Strategy 2014, NOL would extend from Kwu Tung Station on the Lok Ma Chau Spur Line to the current Kam Sheung Road Station, with three intermediate stations in between, i.e. San Tin Station, Ngau Tam Mei Station and Au Tau Station. The conceptual plan indicated similar distances between them. DCED added that Kwu Tung Station and San Tin Station were about three to four km apart.

29. Ir Dr LO Wai-kwok expressed concern about the planning of cross-district transport in STLMC DN, and called for coordination between DEVB and the Transport and Housing Bureau ("THB") in adhering to the infrastructure-led concept. Mr Kenneth LAU was of the view that the proposed investigation for STLMC DN should include transport planning for San Tin.

30. PS/DEV(P&L) responded that the proposed investigation for STLMC DN would be carried out simultaneously with the "Strategic Studies on Railways and Major Roads beyond 2030" conducted by THB, so as to ensure corresponding support in terms of railway and trunk road alignment for various development areas in the New Territories. DEVB and THB had maintained close liaison all along.

31. In response, DCED said that during the feasibility study on STLMC DN in 2019, the Government had already commenced study on transport demand of the development project and its impact on nearby roads, and had made the following preliminary recommendations:

- (a) STLMC DN was expected to provide around 64 000 job opportunities (with a population of about 84 000), thus reducing transport needs of local residents for cross-district commuting;
- (b) NOL would provide a San Tin Station. According to the initial land use, 80% of housing sites in the node were located within 500 m from San Tin Station, within walking distance for residents to the Station for railway service;
- (c) there would be two public transport interchanges in STLMC DN to facilitate residents' use of public transport services;
- (d) the Highways Department ("HyD") was conducting a study on Route 11, which would help connect North West New Territories and urban areas; and
- (e) in addition to providing external transport networks, the Government would take forward the green transport network in the area, including constructing wider pedestrian walkways and providing accessible cycle track networks to encourage residents to travel on foot or by bicycle within the area.

32. Mr YIU Si-wing said that STLMC DN was close to the boundary. He suggested the Administration learn from experience of traffic congestion in Sheung Shui district caused by huge crowds of cross-boundary tourists in recent years and take into account the transport needs of tourists in the planning of STLMC DN, and to provide sufficient parking spaces for coaches.

33. PS/DEV(P&L) responded that:

- (a) at present, the Government had not taken into account the transport needs of cross-border tourism in the area. It would request consultants to assess the flow of people in the area under the proposed investigation for enhancement of land uses; and
- (b) the Government would specifically plan for the supply of parking spaces in the course of detailed land planning to ensure provision of sufficient parking spaces in the area according to planning standards.

Planning and Engineering Study for New Territories North New Town and Ma Kam To

34. Mr LAU Kwok-fan was concerned that some land in NTN, such as Hoo Hok Wai, the Wetland Buffer Areas ("WBAs") and the 20 hectares of land to be vacated from the Lok Ma Chau Boundary Control Point ("LMC BCP"), was not included in the scope of the proposed study for NTN. He considered that the Government should develop NTN more holistically, instead of developing individual areas only. Mr Tony TSE said that the Administration should request consultants responsible for the study to examine how to get in line with the development of Shenzhen, as well as expanding the study scope to study the development of areas to the south of the Shenzhen River more comprehensively.

35. As the Chief Executive had mentioned that she had a new point of view on NTN Development at the Chief Executive's Question and Answer Session held on the previous day (15 July), Mr Martin LIAO was concerned that, in case of substantial changes to the overall land use planning of NTN in the coming year, the proposed study for NTN New Town and MKT would be affected, resulting in a waste of public money. He enquired how the Administration would ensure that the proposed study would be forward-looking with flexibility.

36. PS/DEV(P&L) responded that:

- (a) the Government expected that the 20 hectares of land would only be released from LMC BCP after the implementation of co-location arrangement at the Huanggang Port in around 2024. The land had been included in the scope of proposed investigation for STLMC DN; Hoo Hok Wai and Wetland Conservation Areas etc. were not included in the two proposed studies;

- (b) the two proposed studies covered areas near the boundary, and consultants responsible for the studies would therefore factor in the development in Shenzhen;
- (c) the Chief Executive had earlier appointed a Strategic Planning Advisor for Hong Kong/Shenzhen Co-operation ("the advisor") to make strategic recommendations on the economic planning of Hong Kong and Shenzhen. The advisor would analyze the positioning of NTN from a relatively macro perspective and explore ways to strengthen cooperation between Hong Kong and Shenzhen, and was expected to provide useful information for reference of the proposed studies; and
- (d) if the strategies proposed by the advisor involved areas outside the scope of the proposed study, the Government would consider whether it was appropriate to incorporate such areas in the scope of the current study or initiate separate new studies accordingly.

37. Mr Holden CHOW noted that the Administration proposed to build a logistics corridor in MKT, and that STLMC DN also reserved sites for enterprise and technology park development. He suggested that, when constructing the NOL, the Administration should consider constructing a NOL Spur Line to cover more places, such as the Huanggang Port and the Lok Ma Chau Loop, to tie in with the development of the abovementioned industries.

38. Mr LAU Kwok-fan said that, to his understanding, Shenzhen had developed 11 railway lines since 2004, involving more than 200 stations (including over 100 stations in the proximity of the Hong Kong border), while the NTN of Hong Kong (including Tuen Mun and Yuen Long) only had 10-odd railway stations excluding Light Rail Transit. In this connection, Mr LAU enquired whether the Administration would plan new railway lines and stations besides NOL, and whether the Administration would examine connecting the NTN railway networks with rail lines in Shenzhen.

39. In response, PS/DEV(P&L) advised that:

- (a) THB had entrusted the MTR Corporation Limited to study the feasibility of developing the Spur Line to connect the new Huanggang Port via Lok Ma Chau Loop when conducting the detailed planning and design for the NOL project; and

- (b) the feasibility of connecting Hong Kong's railway networks and Shenzhen's rail lines needed to be followed up by THB. It was believed that the direction of strategic planning for Hong Kong/Shenzhen co-operation would also be considered then.

Assistance and compensation for business operators affected by new town developments

40. Mr Steven HO said that, to his understanding, operators of seven pig farms and two chicken farms in NTN were willing to consider different options such as relocation, merger, business transformation, yet they wished to continue their business. He expressed dissatisfaction that the Administration had not given an account of how to rehouse the affected business operators (including farmers and livestock industry operators) and called on the Administration to make reference to examples on the Mainland, such as constructing multi-storey buildings for the trade to operate pig farms. He also considered that the Government should engage agriculture specialists as consultants when conducting consultancy studies, in order to formulate appropriate relocation policies and arrangements.

41. Ms Alice MAK expressed the view that development of new towns would affect different stakeholders, including agricultural and logistics practitioners and local residents. Failure to properly resolve compensation arrangements for those affected might delay the development. Ms MAK urged the Government to review existing policies and measures, improve compensation arrangements for land resumption and speed up the process of land resumption and development.

42. Ir Dr LO Wai-kwok said that in addition to the livestock industry, some construction-related industries were also affected by new town developments. He suggested the Government consider rehousing the affected business operators to sites on the periphery of country parks and green belts with low ecological value, such as relocating farmland/farms.

43. PS/DEV(P&L) advised that:

- (a) the Government understood that a relatively low number of active farmland/farms were affected by the STLDC DN Project; and the NTN New Town and MKT development involved around 100 hectares of active farmland;
- (b) generally, the Government would communicate with affected farmers during consultancy studies, and would negotiate

specific compensation and relocation issues with them after determining the development plans;

- (c) in recent years, sites affected by works of NDAs (Kwu Tung North/Fanling North and Hung Shui Kiu/Ha Tsuen) were all farmland, but not the livestock trade. Under the existing policy, monetary compensation was usually provided. The Administration would consider other needs of individual farmers and provide appropriate assistance on a case-by-case basis;
- (d) the Government was willing to explore how to provide more assistance for affected farmers. For example, the Government only assisted farmers engaged in commercial operations in the past, but later extended its assistance to self-sustained farmers to facilitate re-cultivation; and
- (e) DEVB was willing to meet separately with Mr HO and the affected trades alongside FHB and the Agriculture, Fisheries and Conservation Department to follow up on compensation and relocation issues on a case-by-case basis.

Impact of development of the New Territories North on ecology

44. Vice Chairman expressed support for the two proposed studies. He noted the concerns over the impact of the NTN development on ecology raised by the World Wide Fund For Nature in its submission. In this connection, he asked the Administration:

- (a) whether the Government would provide sufficient time for public engagement regarding the detailed design for the NTN development;
- (b) whether the NTN development would affect the ecology and what mitigation measures the Government would take to ensure that areas with conservation value would not be affected; and
- (c) whether the NTN development would encourage the "destroy first and build later" approach to legitimize unauthorized developments.

45. Dr CHENG Chung-tai was worried that the NTN development would affect the ecology of the designated WBAs in the area. He noted that the proposed investigation for STLMC DN reserved about \$7 million for public

engagement. He called on the Administration to offer more opportunities for conservation organizations to participate in the consultation when conducting the proposed study.

46. In response, PS/DEV(P&L) advised that:

- (a) except for around 20 hectares of land to be released later from LMC BCP and the land in its vicinity, other areas covered by the investigation were not WBAs;
- (b) after securing FC's funding approval, the Government would carry out a number of tasks, including statutory environmental assessment and the necessary urban planning procedures. At that time, the public would be engaged and could express their views under statutory procedures. The Government would also communicate with stakeholders during the study;
- (c) in response to the views of the Panel on Development, the Government had expanded the scope of the proposed study for the remaining phase development of NTN during the consultation with PWSC. Though the Government had submitted application for an environmental impact assessment study brief, if the boundaries of development areas were revised in response to study needs, the Government would notify the Environmental Protection Department ("EPD") of the revisions in due course, and EPD would provide updated instructions on relevant environmental impact assessments when necessary; and
- (d) regardless of whether the proposed study was conducted, the Government was duty-bound to prevent any instances of "destroy first and build later".

Voting on FCR(2021-22)54

47. At 4:54 pm, the Chairman put item FCR(2021-22)54 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

Item 6 — FCR(2021-22)55

**HEAD 42 — ELECTRICAL AND MECHANICAL SERVICES
DEPARTMENT**

Subhead 000 — Operational expenses

48. The Chairman advised that this item sought FC's approval for the creation of two supernumerary directorate posts of one Chief Electrical and Mechanical Engineer (D1) and one Chief Electronics Engineer (D1) in the Electrical and Mechanical Services Department ("EMSD") for four years with immediate effect upon approval of FC to strengthen the regulation on the safety of railway services through an enhanced, more proactive and comprehensive monitoring regime.

Railway safety inspections

49. Mr Tony TSE said that paragraph 6 of the supplementary paper provided by the Government (LC Paper No. CB(4)324/19-20(01)) mentioned that EMSD expected to conduct 390 railway safety inspections in 2020. He enquired whether the Administration had completed such safety inspections and how many safety inspections would be conducted this year.

50. In response, Director of Electrical and Mechanical Services ("DEMS") advised that the Government planned to conduct 400 railway safety inspections every year, and the target was achieved with 408 inspections completed in 2020. This year's railway safety inspections were still in progress, and were expected to be completed as planned by year end.

Responsibilities of the proposed posts

51. Mr Tony TSE enquired whether the responsibilities of the proposed posts included overseeing new railway projects under planning, or whether such responsibilities only included monitoring railway lines currently in service. If it was the latter, how the Government would apply to new railway projects its experience in monitoring existing railways and the recommendations on improvements so derived.

52. In response, DEMS advised that:

- (a) among the two Chief Engineers proposed to be created, one was mainly responsible for comprehensive and direct audits on the asset and safety management systems of existing railways; while the other was tasked to oversee major asset replacement

projects of existing railways and pre-completion safety tests for new railway projects;

- (b) since the proposed posts would participate in pre-completion tests on new railway projects, this could ensure operational safety and help improve railway design; and
- (c) THB earlier proposed the establishment of an independent department (i.e. the Railways Department ("RD")) to strengthen supervision of new railway projects, including taking forward safety reviews of railway projects and strengthening the safety performance monitoring mechanism of existing railways. The responsibilities of the two proposed posts did not overlap with those of posts in RD responsible for other safety supervision work.

53. Ir Dr LO Wai-kwok expressed support for the creation of the two proposed posts. He enquired about division of labour between staff of the proposed RD and the railway supervision personnel in EMSD at present.

54. Deputy Secretary for Transport and Housing (Transport) 2 responded that after the establishment of RD, the Government would integrate the manpower of the Railways Branch of EMSD and staff in HyD responsible for railway matters. The two posts proposed to be created would also be transferred from EMSD to RD after the establishment of the latter.

Voting on FCR(2021-22)55

55. At 5:06 pm, the Chairman put item FCR(2021-22)55 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item. The item was approved.

56. The meeting ended at 5:06 pm.

Legislative Council Secretariat
22 November 2021