

**Summary of Minutes of Meeting of Islands District Council**

Date : 24 February 2014 (Monday)  
Time : 2:00 p.m.  
Venue : Conference Room, Islands District Council, 14/F., Harbour Building,  
38 Pier Road, Central, Hong Kong.

I. Consultation Document on the Methods for Selecting the Chief Executive in 2017 and for Forming the Legislative Council in 2016

The Secretary for Constitutional and Mainland Affairs briefly introduced the mainstream views received after the consultation exercise of constitutional development began.

A member said that constitutional development had to be in line with the Basic Law and that the Chief Executive had to be a person who loved the country and Hong Kong. He supported the proposal put forward by the Government.

A member said that he supported the constitutional development being taken forward by the Government so that the Chief Executive could be elected by way of universal suffrage in 2017. He said that constitutional development should be advanced in a rational and practical manner in accordance with the relevant stipulations in the Basic Law.

Another member supported the election of the Chief Executive by universal suffrage in 2017 and the election of members of the Legislative Council by universal suffrage in 2016. Universal suffrage had to be conducted in line with the Basic Law and the Chief Executive had to be a person who loved the country and Hong Kong.

A member said that the governance of the Government had met difficulties after the re-unification and the root of the problem was the existing election system in Hong Kong. The Chief Executive was elected by a small group of people, and she thus proposed the election of the Chief Executive through “one person, one vote” universal suffrage in 2017. She opposed the “screening mechanism” as the candidate(s) had to be nominated by the Nominating Committee (NC), which would

raise the issue of public recognition. She worried that the requirement of “loving the country and Hong Kong” might have a labelling effect, and resulted in persons who were able and honourable being excluded.

A member said that the main contention was about the NC. While the members of the NC had been increased from its initial 400 to the existing 1200, public recognition remained an issue. He said that the authorities should consider the proposal of raising the number to 2400, and the proportion of members of sectors be adjusted. He disagreed with the view that “loving the country and Hong Kong” was an abstract concept, and opined that it was possible to set some objective criteria for the concept.

A member said that the contents of the Consultation Document met the requirements of Article 45 of the Basic Law. If requirements of the Basic Law and the relevant interpretations and decisions of Standing Committee of the National People’s Congress (NPCSC) were conformed with, details of implementing universal suffrage could be discussed and the consensus arrived at should then be submitted to the Legislative Council for approval. She supported the Consultation Document.

A member supported the Government’s taking forward of constitutional development and said that it had to be conducted within the framework of the Basic Law. Article 45 of the Basic Law vested the NC with the substantive power to nominate candidates, any proposal which bypassed the nomination procedures of the NC, or undermined the substantive power of the NC to nominate candidates, did not conform with the Article. He said that number of members of the NC could be increased from the existing 1200 to 1600, 2000 or 2400, and that the composition of its four sectors could be enhanced.

The Vice-chairlady was appreciative of the consultation and publicity exercise being conducted. She said that many members of the public stressed to her the importance of requiring the Chief Executive to be a person who loved the country and Hong Kong. The requirements of the Basic Law and interpretations and decisions of the NPCSC had to be conformed with. She proposed the number of representatives of women and young people be increased in the NC, and the number of NC members be increased to 1600 in 2017. She said that wider publicity of the relevant stipulations in the Basic Law should be conducted.

A member said that he hoped that constitutional development could be advanced in a gradual and orderly manner. As the Basic Law was a legal document in force and within there were stipulations on the methods of selecting the Chief Executive, constitutional development should thus be advanced accordingly. He said that the NC was a necessary stage for the transition to the “one person, one vote” election mode. He hoped that a consensus could be arrived at to avoid a stalemate.

A member said that the basis of the on-going consultation was the Basic Law and the relevant interpretations and decisions of the NPCSC. He said that these were the “rules of the game” and had to be adhered to. Other proposals on enhancing the composition of the NC could be considered on that basis.

The Secretary for Constitutional and Mainland Affairs responded as follows:

- (a) The Central Authorities were sincere in implementing the election of the Chief Executive by universal suffrage in 2017, and the Special Administrative Region Government had the responsibility to achieve the target. He hoped that a consensus could be reached by Hong Kong people.
- (b) Given the constitutional status of the HKSAR, the Central Authorities had the constitutional powers and responsibilities to determine the political, economic and social systems to be implemented in the HKSAR. The role of the Central Authorities in this regard was reflected in the enactment and implementation of, and amendments to the Basic Law. As the Central Authorities had the substantive power in appointing the Chief Executive, their principles, views and concerns had to be taken into account in designing the political structure of the HKSAR. The Chief Executive had to be accountable to the HKSAR, as well as to the Central People’s Government. The requirement of “loving the country and Hong Kong” had its constitutional basis and was therefore necessary.

Some held the view that references could be made to the Election Committee in the composition of the NC, which would have the advantages of being familiar to the public and conducive to “balanced

participation”. Views about the composition of the NC and number of members were welcome.

- (c) He agreed with the view that publication was important and requested members to assist in the promotion of constitutional development.

The Chairman concluded that the Islands District Council (IDC) supported the constitutional development being taken forward by the Government so that the Chief Executive could be elected by way of universal suffrage in 2017. Constitutional development had to be in line with the Basic Law and the Chief Executive elected through universal suffrage had to be a person who loved the country and Hong Kong. Any proposal that did not conform with the Basic Law was impractical, and the discussion of constitutional development should be conducted in a rational and practical manner. The IDC objected to any behavior that was not law-abiding. A working group had been set up under the IDC to organize activities to promote Basic Law.

## II. Visit of Director of Planning to Islands District Council

The Director of Planning briefed the meeting of the work of the Planning Department and the planning of Islands District.

A member said that the Town Planning Board (TPB) recently conducted consultation on two planning applications of radio base stations in Discovery Bay. She proposed that the Planning Department should widen the target of consultation and that Discovery Bay City Owners Committee should be included. She also said that the practice of posting notices within a hundred feet of the planning site was not satisfactory. She said that some facilities of Discovery Bay Club Siena were located on areas not belonged to the Club, and she hoped that the facilities would be open to residents.

A member enquired about the date of some land on Lamma Island South being zoned as the green belts and the criteria of zoning land as green belts. He said that land should be resumed first and that compensation be made before private land was to be zoned as green belts, otherwise it would be unfair to private land owners.

Another member said that the Planning Department and the TPB both slanted towards viewpoints of city-dwellers in planning, and the people-oriented concept was not realized in practice. He gave the example of Tai O to query that its planning was not so called sustainable. He urged the Department to conduct more field visits to have a better understanding of local situations. He said that the TPB was mainly composed of city-dwellers and such composition was not satisfactory. The approval of the Draft Tai O Fringe Outline Zoning Plan (OZP) was cited as a case in point.

A member urged the Planning Department to take a holistic approach in developing Islands District, so that current and long-standing problems would be resolved altogether. He proposed provision of land transport for the islands by making use of the strategic studies for artificial islands in the Central Waters.

A member pointed out some unsatisfactory planning of the Peng Chau OZP and urged for a review of the plan. He proposed relaxing some restrictions on the development of South Lantau and other islands, so that taller buildings could be constructed and that there would be no need for reclamation.

Another member said that more columbarium niches should be planned and built on Cheung Chau, as there was strong demand for them.

A member urged for a more balanced development of Tung Chung East and West. He said that there was much land which could be used for development in Tung Chung West and reclamation was not necessary.

A member said that much land in Southwest Tung Chung could be used for development. However, the Planning Department zoned it as green belts while proposing reclamation at Ma Wan Chung. He queried the rationale of the planning.

Another member urged for amendments of the South Lantau Coast OZP.

A member said that the Planning Department zoned all farmland in Tai O as green belts and it was unfair.

A member retraced the history of Tai O to illustrate the causes for decline of farming in the area. He urged for the construction of a circular highway for Lantau Island, which would be beneficial for both the residents and tourists.

A member advised against reclamation in Tung Chung West. He said that the natural coastline should be preserved and houses should be built on nearby hills. He also requested for establishing markets in Tung Chung New Town.

The Director of Planning responded as follows:

- (a) He rather not made comments on individual cases, and that the District Planning Officer/Sai Kung and Islands would maintain liaison with members. The Planning Department had been following the guidelines of the TPB to post notices prominently at the site of application, and by post to notify in writing the owners' corporations within a hundred feet of the site. The practice had been effective all along. For rural areas, relevant rural committee(s) would be notified and a notice would be posted on its notice board. The Department would strengthen the practice where appropriate.
- (b) The issue of striking a balance between development and conservation was very common in town planning. There was not much flat land in Hong Kong and thus development was restrained. Generally, a centralised mode of development would be adopted. The Planning Department would assess the potential of the development area and formulate a suitable density for development and to make optimum of infrastructure. The Department would also attach importance to low intensity rural areas and make improvements as much as possible. It would continue to maintain communication with the local community.
- (c) While the proposal of linking islands with land transport would be looked into in conducting the studies of artificial islands, it would be unrealistic to expect linking all islands by land transport. An alternative was to link some islands by ferry to nearby newly developed areas where land transport would be available.
- (d) The South Lantau Coast OZP was formulated many years before, and it was not conducted digitally as it was today. The Department would time and again made amendments, and close contact would be maintained with members.

- (e) The Department would study whether there was a need for markets in new towns in accordance with the local situation. The Department would be pleased to discuss the issue with members within the flexibility of governmental policies.
- (f) Various stakeholders, rather than a limited group of people, would be consulted before formulation of plans. In determining usages of land, information provided by various departments, such as the Agricultural Fisheries and Conservation Department, and the Environmental Protection Department, would be studied. The District Council(s) concerned would also be consulted. Despite land being zoned as green belts or conservation areas, farming usage as prescribed in the land lease would not be affected. Application for other usage could also be submitted to the TPB.
- (g) Sai Kung and Islands District Planning Office would continue to discuss with members about various outlined zoning plans and items raised. Frontline staff was encouraged to conduct more field visits so as to have a good grasp of local situation.

### III. Visit of Director of Drainage Services to Islands District Council

The Director of Drainage Services briefed the meeting of the work of the Drainage Services Department (DSD) in Islands District.

A member was appreciative of the flood protection works conducted by the DSD in Mui Wo. He hoped that Pak Ngan Heung Sewerage Works could be completed as early as possible and planning and works could begin for unsewered areas in Mui Wo.

A member urged for early planning and construction of sewerage for unsewered villages and stilted houses in Tai O.

Another member enquired the reason for the delay of Peng Chau Village Sewerage Phase 2, which was supposed to be implemented in 2012. He said that the reclamation works being conducted at Peng Chau had rendered many septic tanks in

the area inoperative, and caused deterioration of hygienic conditions. He urged the DSD to implement its works earlier so as to improve the hygiene in the area.

A member said that “Outlying Islands Sewerage, Stage 2 –Lamma Village Sewerage Phase 2, Package 1” would involve resumption of private land. She proposed realignment of routes to avoid delay and urged for enhanced communication with residents.

A member said that the septic tank system on Cheung Chau had deteriorated. He urged the DSD to expedite the “Upgrading of Cheung Chau and Tai O Sewage Collection, Treatment and Disposal Facilities” (Project No. 354 DS) and to provide timetable for the works.

Another member was satisfied with the progress of “Upgrading of Mui Wo Sewage Treatment Works and Sewerage at Mui Wo Town Centre and Wang Tong”. He was appreciative of the performance of the contractor and he also supported DSD’s upgrading of the public sewerage system in Mui Wo.

The Vice-chairlady was appreciative of the major flood protection works on Lantau Island. She proposed that sewerage works in Islands District could tie in with other planning projects in the area, such as “Revitalization of Tai O” and “Improvement Works for Mui Wo Facelift”. She said that the provision of sewerage in South Lantau was important for the development of the tourist industry in the area.

The Director of Drainage Services responded as follows:

- (a) Drainage works in Islands District would encounter difficulties of various natures and members had been very helpful. Works on Peng Chau had been delayed as there was objection from residents. As a result, relevant legal procedures had to be completed before works could resume.
- (b) The Government would invest more than two billion dollars in the construction of sewage collection and treatment facilities in South Lantau.
- (c) As stilted houses could only support a certain amount of load, thus that issue had to be resolved first in providing sewerage system for the area.



- (d) With reference to Lamma Island, the DSD would as much as possible avoid laying pipes on private land. Where it was technically impossible to do so, land resumption would be minimized.

A member enquired whether works on Peng Chau could begin in 2015 as scheduled.

A member enquired whether the DSD had any plan to extend the sewerage system in Tai O.

The Director of Drainage Services further responded as follows:

- (a) In the case of Peng Chau works, the DSD planned to submit application for funding in 2014/15 financial year. If funding was approved, works could begin in 2015.
- (b) The DSD had a plan to extend the sewerage system in Tai O and discussion would be conducted with relevant rural committees and the District Council in due course.
- (c) Time table of Project No. 354 DS would be provided in due course.

#### IV. Progress Report on North Lantau Hospital

A member hoped that North Lantau Hospital could provide 24-hour Accident and Emergency (A&E) service as early as possible, and that quota for out-patient services could be increased.

The Vice-chairlady was appreciative of the continuous improvement of the Hospital. She hoped that the Hospital Authority would conduct a review on the policy and ancillary facilities of out-patient clinics and make improvement as soon as possible. She also enquired if in-patient services would be provided after the implementation of 24-hour A&E service.

The representative of the Hospital Authority responded that they were aware of the strong demand for general out-patient clinic service. However, there was a

shortage of doctors and it would not be possible to enhance all services at the same time. The provision of 24-hour A&E service would be prioritized at North Lantau Hospital. Members' opinions would be related to the Hospital Authority and the Food and Health Bureau. Service development of the Hospital in 2014/15 would be reported to the District Council once information would be available.

V. Question on construction of Lantau Circular Highway and Tai O to Tung Chung Coastal Highway

The representative of the Transport Department said that a variety of factors would be taken into account in the construction of roads, such as the principle of sustainability, traffic conditions, population growth, conservation and resources, etc. The Transport Department opined that there had yet been adequate justifications for the construction of road from Tung Chung to Tai O. If there were to be changes of planning in the development of Lantau Island, the Transport Department would review the planning of road network accordingly.

A member said that the responses of the Transport Department were clichés. He said that the number of bus passengers had increased from 100 000 passenger-trips per year to more than three million, and that was solid proof for demand for transport. Members had put forward the same request over the years and the Department had given the same response. He said that it was not acceptable.

A member said that the Government had conducted planning on a north-south passageway on Lantau in 1990s. He was not satisfied with the Transport Department's saying that road would not be constructed because there was inadequate population. He also requested that roads on Lantau be widened to 7.3 metres.

A member enquired for reason of not opening Tung Chung Road to residents.

A member did not agree that there was no need to construct roads on Lantau. He also cited the number of bus passengers of Tai O and that Lantau Island would be developed further in the future to illustrate his point.

A member said that roads on Lantau were culs-de-sac and vehicles would have to go all the way to Mui Wo before they could turn back. He requested for the

construction of a north-south passageway on Lantau, and that roads from Mui Wo to Lantau South be widened to 7.3 metres.

The representative of the Transport Department said that the Department would plan roads on Lantau to tie in with its long term development. For Tung Chung Road, the Department encouraged members of the public to use public transport as far as possible. Tung Chung residents could apply for closed road permits during the spring and autumn ancestral worships.

#### VI. Motion on requesting review of Telecommunications Ordinance

As no amendment had been raised, the Chairman requested members to vote on the motion by show of hands. Eighteen members voted in favour of the motion, and none voted against the motion and there was no abstention. The motion was adopted by IDC.

#### VII. Strategic Studies for Artificial Islands in the Central Waters

A member was concerned of the effects of the artificial islands on the marine channels and that there might be swells during high tides. He was also concerned of the impacts of the reclamation works on the shipping industry. The proposed artificial islands might affect the water current outside Discovery Bay and sludge might accumulate in the area. He proposed joining Hei Ling Chau, Man Kok Tsui and Cheung Chau by reclamation so that houses could be built on it. Low density houses could also be built at Chi Ma Wan Peninsula and a bridge be constructed to link it with Cheung Chau. He worried that reclamation would affect ferry services. He doubted whether the proposal of artificial islands would be supported by organizations protecting and preserving the harbour.

A member said that as the proposed artificial islands would be located on marine channels, the Government should study the effects on navigational safety, shipping and fisheries industries, marine ecology, etc. Feasibility of linking the artificial islands with nearby islands such as Cheung Chau and Lantau South should also be studied.

A member proposed reclamation of Hei Ling Chau Typhoon Shelter and making good use of land resources on Lantau, which might bring about better efficiency.

Another member objected to the project because of its lack of cost effectiveness. She was concerned of the effects of the artificial islands on marine channels and ferry services, and how the islands could be linked with other existing islands. The Civil Engineering and Development Department (CEDD) said that the artificial islands would be used for housing and that there would be employment opportunities. She queried that existing islands were already facing difficulty of employment at the present, and the Government had failed to improve the situation and address the housing problem. She opined that the project was not feasible and that time and resources should not be wasted on it. She also said that Hong Kong Disneyland might raise objection to the project.

A member said that reclamation works should not affect the operation of the harbour, and if reclamation had to be carried out, it should be done near the coast. If the Lantau Metropolis was to be developed, the road network on the island had to be improved. He said that if the transportation network was improved, residents would support the development of Lantau Island.

A member raised doubts on the actual location of the artificial islands and whether the Hong Kong Disneyland would accept the project. He said that Lantau Island should be developed and roads on the island should be improved. He was also concerned that views of buildings on Peng Chau and Discovery Bay would be blocked by the buildings of the artificial islands.

A member said that the transportation of Islands District relied heavily on ferries, and roads and Mass Transit Railway system in the Central and Western District, which was heavily loaded. He hoped that the Government would make use of the strategic studies to conduct a review on the overall transportation system of the Islands District, including its link with other districts and the road between Tung Chung and Tai O.

A member criticized the project for its shortsightedness. He said that there was a lack of extension of the artificial islands. He further queried that if one such island was not sufficient, the Government would attempt constructing more of the same.

Another member also raised the concern of marine channels and urged the CEDD to conduct a detailed technical study on the issue.

The Vice-chairlady said that many years earlier IDC had urged the Government to make use of the opportunity of building the new airport to improve the transportation of Lantau Island, but up to no avail. She said that the concept of “East Lantau Metropolis” might give people an impression that the Government was abandoning the development of Lantau Island again. She hoped that the Government would make use of the project to connect roads on Lantau Island, and then link the artificial islands with other islands by bridges or tunnels.

A member stressed the importance of Hong Kong being a financial centre and trade port. He said that the operation of the port should not be affected by reclamation. He proposed reclamation between Chi Ma Wan, Cheung Chau and Hei Ling Chau, which would gain a substantial amount of land. He worried that the construction of artificial islands would affect the marine channels and water current.

The representative of the CEDD responded as follows:

- (a) The map shown in the powerpoint presentation was the location of the proposed area of study, not the actual site of the artificial islands. The concept of “East Lantau Metropolis” in the Central Waters between Hong Kong Island and Lantau Island was proposed by the Chief Executive in the 2014 Policy Address. The study at issue was to identify a suitable location in the Central Waters for the construction of the artificial islands, on which a new town of several hundred thousands of population would be built and a new business centre apart from Central and East Kowloon would be provided. There would be residential development and employment opportunities so that its residents and those who lived on Lantau and neighbouring islands would not have to seek employment in other districts. Lantau Island would be connected by railway or roads with the artificial islands and other districts.
- (b) The development of existing islands as proposed by members would have impact on areas with a substantial number of population. On the other hand, the proposed artificial islands would be larger in area than

existing ones, and would be more favourable for overall and comprehensive planning. There would also be appropriate means of transportation to connect the artificial islands with other districts.

- (c) An in-depth study of the impact on ferry navigation routes would be conducted in the strategic studies. There might be railway linking the artificial islands so that residents of Islands District could commute to these islands, and then travel by railway to other areas, instead of taking ferries to Central as it was currently.
- (d) The Central Waters were a mid-stream site and the construction of artificial islands there could avoid impact on existing islands. The project feasibility of artificial islands and reclamation would be studied, including minor reclamation near the coast to connect with neighbouring areas on condition that residents would not be affected. The linking of roads on north and south Lantau with the artificial islands would also be studied so as to tie in with overall development.
- (e) With reference to the low utilization rate of Hei Ling Chau Typhoon Shelter and there was much land on Lantau that could be developed, an initial study would be conducted to determine the technical feasibility of the project and the actual selection of sites. In addition, the gradient of some land on Lantau was rather steep, which posed certain restrictions on development. The strategic studies would also look into the existing communities and their potentials for development.
- (f) The technical and financial feasibility of the artificial islands project and the impact on the views of Hong Kong Disneyland would also be studied in details.
- (g) The “East Lantau Metropolis” concept aimed at creating a new metropolis, and providing employment for the district and nearby areas, and a suitable road network linking the artificial islands, Hong Kong Island, Lantau South and North, and then to Tuen Mun and the New Territories West. Its objective was to transform the north-south running in the past to the east-west running direction in the future. The feasibility of the “East Lantau Metropolis” concept had to be

determined by a technicality study and the Government hoped that members would support the strategic studies.

- (h) The CEDD noted the proposal of linking Chi Ma Wan, Cheung Chau and Hei Ling Chau by reclamation. If funding for the studies was approved, it would take a year and a half to obtain results in stages. Technical and financial layout and options would be related to the District Council in due course.
- (i) Initial studies conducted showed that there were many deep water areas in the Central Waters. Normally, it was more cost-effective to reclaim in shallow waters. The project would conduct in-depth studies on water current and harbour operation, so as to determine a suitable location for the artificial islands.

A member hoped that the CEDD would not waste resources on such a “White Elephant” project. She said that developing existing islands was a better alternative than constructing artificial islands in the middle of the sea.

The Vice-chairlady said that the consultation being conducted was an improvement compared with the one conducted in the previous year. The Department did give a clearer picture on the usage of land on the islands. She said that the studies should look into methods of linking the artificial islands with other islands by means of bridges or tunnels.

A member said that he did not object to the funding application on the condition that the studies would include widening of South Lantau Road and Keung Shan Road, and a tunnel linking Mui Wo and Lantau North.

A member concurred with the views of the Vice-chairlady and those of the previous member of conditionally supporting the application for funding proposed by the CEDD. He hoped that the papers would clearly state that the studies would include some minor near-coast reclamation, and transportation link between the artificial islands and road network on Lantau.

A member hoped that the CEDD would adequately look into methods to improve road network on Lantau in the studies.

A member concurred that the pre-requisite for supporting the proposal was the inclusion of circular highway on Lantau.

The Chairman concluded that members were concerned of the effects of the artificial islands project on the transportation on Lantau. He hoped that the CEDD would take into account members' concerns and opinions, and include the problem of transportation network in the studies.

The representative of the CEDD said that he was appreciative of the opinions given by members, including the concern of transportation link and the importance of comprehensive planning. The "East Lantau Metropolis" project was a large scale undertaking and transportation link had to be planned holistically. The CEDD would conduct study on the initial usage of land on the artificial islands, the linking of existing road network of Lantau Island and other technicalities.

#### VIII. Planning, Engineering and Architectural Study for Topside Development at Hong Kong Boundary Crossing Facilities Island of Hong Kong – Zhuhai – Macao Bridge

The Vice-chairlady said that as the Hong Kong – Zhuhai – Macao Bridge would be open to traffic in 2016, she hoped that the study at issue could begin as early as possible. She was concerned of how traffic could be smoothly directed to the city after the bridge opened and was therefore very supportive of the study.

A member was concerned of the effects of the bridge on the traffic on Lantau Island. He worried that existing roads on Lantau might not be adequate to cope with the increased traffic flow brought about by the opening of the bridge.

The Chairman supported the early implementation of the study to avoid increasing costs.

The representative of the CEDD said that the Department was aware of the IDC's concern of the "bridgehead economy", and thus the study would be implemented the earliest possible. The study would look into the link between the business area of the Boundary Crossing Facilities Island and nearby areas, as well as the transportation network and ancillary facilities.



IX. Licence Extension of the Six Major Outlying Island Ferry Routes

A member expressed grave dissatisfaction over the Transport Department's not consulting the IDC and relevant rural committees before approving the increase of ferry fares. He had proposed the independent tendering of the Cheung Chau ferry service and was not satisfied of the joint tendering conducted. He said that the Cheung Chau ferry route should be making profits and fares should not be substantially increased. He reiterated that residents were very dissatisfied that no prior consultation was conducted and he demanded that the same should not occur in the future.

A member said that Lamma Island residents were very dissatisfied with the fare increase, which had not taken into account the affordability of the residents. He disagreed with the saying that the service being provided was satisfactory on the whole. He said that there should be improvement of the services after the fare increase. He also proposed that the 2:30 am Lamma ferry trip on holidays should be changed to the status of "last sailing", so that monthly ticket holders would not have to buy another ticket on the return trip.

A member said that residents were very dissatisfied that no prior consultation had been conducted. She was critical of the ferry service being provided and she urged the Transport Department to effect improvement.

Another member concurred with the previous members' criticisms of the ferry service. She was also critical of the supervision on the part of the Transport Department. She said that the amounts of fare increase of "Discovery Bay-Central" ferry route in 2011, 2013 and 2014 far exceeded the increases of price index and those of the median household income. She was not satisfied with the way consultation was conducted.

A member requested the Transport Department to provide information of the amount of subsidy each ferry route received. He proposed that the same type of vessels be used for the Peng Chau route in order to lower operational costs. He also proposed that the two ferries departing at 3:00 am from Central which bounded separately to Peng Chau and Cheung Chau could go to both destinations so as to enhance service. He requested the Secretary for Transport and Housing to visit the IDC to discuss long term ferry policy.

A member said that residents were very dissatisfied with the fare increase upon every license renewal, which she believed was a result of lack of overall ferry policy. She said that the Government should take into consideration proposals put forward, such as purchase vessels by the Government, extension of license to five or ten years, and establishment of “oil price stabilization fund”. She supported the request of a previous member of changing the the 2:30 am Lamma route ferry on holidays to the “last sailing”, and that frequencies for early morning trips be increased.

A member criticized the lack of consultation of the fare increase and that the contents of the paper were not reliable. He disagreed with the content in the paper that the Government would do the gate-keeping work properly. He supported the proposal of having the Government to purchase vessels and contracting out the service. He also opined that the approved fare increase was too high.

A member objected to the fare increase and proposed providing subsidy to maintain the existing fare level.

A member disagreed with the contents of the paper that the existing service was satisfactory. He had conducted a survey in mid-2013 and the results obtained differed quite significantly from those provided by the Transport Department. The Commissioner for Transport had earlier said that the capital expenditure for purchasing vessels was substantial. He disagreed and said that the proposal was feasible and could strengthen the Government’s bargaining power in tendering.

The Vice-chairlady said that the fare increase had exceeded the affordability of residents and would deter tourists from visiting the district. She said that the quality of existing ferry service was not satisfactory. She urged the Government to conduct an overall review of ferry policy.

A member asked whether the Transport Department was reporting the fare increase to IDC, or it was consulting members’ opinions on the fare increase. He also enquired whether the amount of increase could be adjusted or frozen, whether the \$120 million subsidy provided by the Government in 2011 had been used up, and the progress for constructing floor levels to Central Piers 4 to 6. He proposed providing subsidy to kaitos and requested the Government to frozen the fare increase from 2014 to 2017.

The representative of the Transport Department responded as follows:

- (a) The Transport Department started to conduct discussion with the two ferry companies in August 2013 on the renewal of license and many matters had to be discussed, such as the special assistance measures, the ceiling of subsidy for each expenditure item and fare increase, etc. Thus time needed for discussion was lengthy and the District Council was subsequently consulted upon completion of the discussions.
- (b) The Department would take note of the various proposals raised by members, including those of Cheung Chau fast ferry, Lamma ferry frequencies, and service arrangement of Peng Chau ferry route. The matters would be followed up on with relevant ferry companies.
- (c) The Government had reservation on the proposal to purchase vessels as the capital expenditure involved was substantial, and there would be additional expenditure for management and maintenance. Special assistance measures provided by the Government were mainly some accountable expenditure, such as fees for maintenance of vessels and cleansing of piers. The ferry companies were responsible for fuels and staff costs. It was an established government policy that public transport services were to be operated by private enterprises on commercial principles. The Government would conduct timely reviews on relevant policies and measures. The subsidies provided by the Government for the current license period was anticipated to be used up soon.
- (d) The amount of fare increase had been lowered after months of negotiation. The proposed 5 to 6% fare increase was deemed to be reasonable so that the service providers would have the incentive to continue their business. The Department opined that there was not much room for downward adjustment.
- (e) The TPB had approved the construction of additional floors in Central Piers 4, 5 and 6. Funding application would be submitted to the Legislative Council in due course and if approved, works were anticipated to finish at year end of 2018. In order to facilitate better tenancy arrangements, the authorities would consider a longer license

period which would involve policy adjustment and changes in legislation.

A member said that according to the above responses, the six ferry routes would increase fares. She worried that fares of “Discovery Bay-Central” ferry route would also be allowed to increase without prior consultation.

A member said that he strongly demanded the Transport Department not to increase fares for the sake of the residents. He reiterated that the proposal for the Government to purchase vessels was feasible, and it was a better alternative than providing subsidy.

A member also demanded freezing existing fares.

A member enquired the reason for not providing MTR interchange concessions and whether parking would be allowed outside the entrances of Central Piers 4, 5 and 6 after the upper floors were converted.

A member objected to fare increase and said that the amount of \$1.7 billion non-recurrent expenditure was very small to the Government. He believed that if vessels were to be provided, many more operators would be willing to run the business.

A member calculated that the amount of money needed to purchase vessels would more or less be on par with the amount of subsidy currently provided, if the cost was to spread out over the years covered.

A member reiterated her demand for consultation in regard of the “Discovery Bay-Central” ferry fare increase and urged for provision of relevant information at the earliest possible.

The representative of the Transport Department said that the operator of the “Discovery Bay-Central” ferry route had expressed in early 2014 its desire to increase fare. Discussions were being conducted and the operator was asked to provide more data for assessment to be conducted. The Transport Department had yet had any stance on the matter and consultation would be conducted once assessment was completed.

Another representative of the Transport Department supplemented that the passenger survey conducted by the Department was carried out in January to February 2013. More than 75% of passengers of the six ferry routes said that they were very satisfies/satisfied/found it acceptable with the overall performance of the ferries. In addition, the MTR interchange concessions were provided by the MTR, and thus the request for concession would be related to the company. No decision had been made in regard of the parking arrangement at the entrance of the Central Piers in the future. The Department understood the residents' need of cargo handling areas and would provide them outside the entrances. He further said that the \$1.7 billion estimate for purchase of vessels was made in 2010 and the actual amount should be higher currently. The Transport Department had explained earlier that the proportion of depreciation of ferries made up only a small part of the overall operational costs, and thus the option would not be very useful for the operation of the six ferry routes.

A member said that even if the amount of expenditure would increase to around \$2 billion, the amount was still very small for the Government. The purchase of vessels would not only lower operational costs, more importantly it would boost the bargaining power of the Government and thus more competitors would be introduced. He was extremely disappointed with the Secretary for Transport and Housing's not attending the IDC meetings and not accepting members' opinion. He walked out in protest.

Another member agreed with the previous member and he also walked out in protest.

X. Draft Tai O Town Centre Outline Zoning Plan No. S/I-TOTC/E

A member criticized the draft OZP had restricted the development of Tai O, and the only merit was the part on preserving the stilted houses area. He hoped that the Planning Department would assist the residents in submitting applications to the Lands Department in rebuilding the stilted houses or changing their usages. He said that the Planning Department should not restrict the height of buildings in the Wing On Street vicinity as they were so-called "red-deeds" land. He also proposed that the fish pond adjacent to the parking lot should be levelled for public use so as to resolve the problem of sanitation at the same time. He opined that a piece of land at Shek Tsai Po should not be zoned for commercial usage, whereas the Wing On Street area should.

Another member was also appreciative of the planning of the stilted houses area and he hoped that the land right issue as raised by the rural committee and fishermen earlier could be resolved. He proposed that comprehensive development be allowed on “V” land and that similar planning of Lung Tin Estate should be referred to. He also proposed that the fish pond adjacent to the parking lot be used for recreational or parking usage.

A member objected to the gazetting of the OZP, as it placed too many restrictions on development.

The representative of the Planning Department said that a balance had to be reached between development and conservation in preparing a zoning plan. Tai O was a rural and fishing village, which had conservation values. On the other hand, there were needs for development. Members’ opinions would be related to the Planning Department and the TPB. The issue of stilted houses involved policies related to government land, and further studies would be conducted. “Village-type” development was formulated by the TPB in accordance with the common practices adopted in regard of indigenous villages or non-indigenous villages. Applications of development or re-development could be submitted to the TPB through existing mechanism. The case of Lung Tin Estate was development of the Housing Department, which was carried out after comprehensive assessment. The planning of the piece of land at Shek Tsai Po was conducted to reflect the requirement in the land lease. With regard to the use of the fish pond, relevant parties would be invited to conduct a field inspection to discuss the future land use.

A member objected to the planning related to “V” land, as it would place restrictions on development. Submitting applications to the TPB would require considerable resources and successful applications were rare.

A member queried whether the Planning Department had conducted planning upon request of green groups. He also criticized the zoning of the area at Nam Chung Tsuen as “green belts” and that the current planning did not consult the District Council member concerned.

The representative of the Planning Department said that in “Village-type” development land, some commonly permitted usage would be listed for the ground floor. However, the use of upper floors for restaurant would involve issues such as

fire exits, and thus application to the TPB would be required. The villages of Nam Chung Tsuen etc. were not located in the zoning plan and applications for small houses were allowed and there were successful applications before.

The Vice-chairlady said that the Tai O Water Village was an important tourist asset for the area. She hoped that the Planning Department would conduct careful planning of the stilted houses area.

A member objected to the gazetting of the OZP and he opined that the planning of the stilted houses area was a conspiracy to coax Tai O residents to support the Plan.

A member said that there was no mechanism in the Town Planning Ordinance to provide compensation for land owners and that would seriously deprive them of their rights. He hoped that the Planning Department would make adjustment in the usage of the fish pond after conducting field inspection and listening to local residents and fishermen.

A member proposed that the OZP should clearly state the condition of allowing the reconstruction of stilted houses as permanent structures.

## XI. Progress Report of Major Projects in Islands District

The representative of the CEDD said that detailed design was being conducted for the second phase of Mui Wo Improvement Works, and hopefully the project could be gazetted within the current year. Funding application was anticipated to be submitted in the following year. Phase Two of Tai O Revitalization Works would be conducted in two stages and detailed design for the first stage was being conducted.

Islands District Council Secretariat  
May 2014