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**Lantau Development Advisory Committee
Economic and Social Development Subcommittee
Third Meeting**

Date: 28 January 2015 (Wednesday)

Time: 3:00 to 5:15pm

Venue: Conference Room of Islands District Council, 14/F, Harbour Building,
38 Pier Road, Central, Hong Kong

Gist of Meeting

Members Present:

Dr Peter LAM Kin-ngok

Chairperson

Mr Franklin LAM Fan-keung

Deputy Chairperson

Dr Joe FANG Zhou

Mr Allen HA Wing-on

Ms LAM Lit-kwan

Mr Vincent LO Hong-sui

Mr Randy YU Hon-kwan

Professor CHAN Kei-biu

Mr Benson LUK Hon-man

Professor WONG Fook-yee

Mr CHAN Chi-ming

Deputy Secretary (Works) 2, Development
Bureau (DEVB)

Mr LAI Cheuk-ho

Principal Assistant Secretary (Works) 5, DEVB

Miss Janet WONG Chin-kiu

Principal Assistant Secretary (Works) Special
Duty, DEVB

Mr Kevin CHOI

Principal Assistant Secretary (Planning &
Lands) 2, DEVB

Mr Jeffrey CHIM

Senior Administrative Officer (Tourism) 2,
Commerce & Economic Development Bureau

Mr Anthony LI

District Officer (Islands), Home Affairs
Department (HAD)

Mrs Tonia LEUNG SO Suk-ching

Assistant Commissioner (Employment Services),
Labour Department (LD)

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Miss Winnie LAU Bo-yee	Chief Town Planner/Strategic Planning, Planning Department (PlanD)
Mr Gary WONG Chi-fai	Chief Executive Officer (Policy & Dev), DEVB / Secretary

Members Absent (absent with apologies):

Mr Ivan CHU Kwok-leung
Mr LAU Ping-cheung
Hon Alice MAK Mei-kuen
Hon YIU Si-wing
Ms Rita LAU Shuk-han

In Attendance:

For Item No. 3

Ms Ada CHEUNG Ka-yan	Statistician (Social Analysis and Research) 1, Census and Statistics Department (C&SD)
Mrs YEUNG SEE Chung-ching	Senior Statistical Officer (Social Analysis and Research), C&SD
Ms Jadee BOW Yuk-yu,	Senior Executive Officer (Service Development & Planning), Department of Health
Mr Lam Kam-kong	Senior Superintendent (Operations) 1, Food and Environmental Hygiene Department (FEHD)
Mr Wong Wai-wan	District Environmental Hygiene Superintendent (Islands), FEHD
Mrs Helen POON	Senior Manager (Cluster Performance), Hospital Authority
Mr Harry CHAN Chung-shing	Senior Planning Officer 1, Housing Department
Mr Aylmer YAN Wai-pang,	Senior Executive Officer (Planning) 2, Leisure and Cultural Services Department
Ms PANG Kit-ling	District Social Welfare Officer (Central Western, Southern & Islands), Social Welfare Department

For Item No. 4

Ms Pecvin YONG	Principal Assistant Secretary (Further Education), Education Bureau (EDB)
Ms Catherine LAW	Senior Labour Officer (Employment Services)(Policy), LD

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Ms Sue WONG	Senior Manager (Course Development), Employees Retraining Board (ERB)
Mr LEUNG Yam-shing	Deputy Executive Director, Vocational Training Council (VTC)
<u>For Item No. 5</u>	
Ms Cissy CHAN	Executive Director, Commercial, Airport Authority Hong Kong (AAHK)
Mr Amen TONG	General Manager, Airport Property, AAHK
Mr Joe YIP	Assistant Secretary (Land Supply) 1, DEVB
Mr Kevin LAI	Senior Manager (Infrastructure), DEVB
Miss Erica WONG	Senior Executive Officer (Lantau), DEVB
Mr Nick LI	Project Coordinator, DEVB
Miss Michelle CHOW	Community Relation Officer, DEVB
Miss Bonnie MAN	Assistant District Officer (2)/Island, HAD
Mr Stephen WONG	Senior Planning Coordinator, PlanD
Mr Ken CHENG Chong-hoi	Staff Officer (Planning) 1, FEHD
Ms Doris YAU Man-shan,	Senior Engineer 8 (Islands Division), Civil Engineering and Development Department
Mr Ekmanson Poon	Marketing & Branding Manager, Asia World-Expo Management Limited
Mr Kevin Cheung	Hong Kong Golden 50

1. The Chairman welcomed all Members, co-opted members and government representatives to the third meeting of the Economic and Social Development Subcommittee. The Chairman said, Mr Kelvin LO Kwok-wah, Principal Assistant Secretary (Works) 5, DEVB, was transferred to another department in mid-January, and his duties were currently taken over by Mr LAI Cheuk-ho. The Chairman welcomed Mr LAI to join the subcommittee (SC).

Agenda item 1: Confirmation of the Gist of the Last Meeting

2. The Chairman said that the Secretariat had distributed draft minutes of the second meeting to Members for their perusal prior to this meeting and no suggestions

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on revision had been received before the meeting. As no Member proposed any revision at the meeting, the SC endorsed the minutes of the second meeting.

Agenda item 2: Matters Arising

3. There were no matters arising from the last meeting to follow up.

Agenda item 3: Information on Lantau's Social Development
(ESD SC Paper No. 01/2015)

4. Mr Joe YIP, Assistant Secretary (Land Supply) 1, DEVB explained the information on the current population and employment in the Islands District, as well as the planning on future population and employment on the Lantau. He also presented briefly about Lantau's current social development in various areas, including education, housing, medical services, public health, elderly service, youth development, cultural and leisure services, art development, and social welfare. He pointed out that the overall social development in the Islands District currently outperformed the overall situation of Hong Kong. For example, the district had a larger working-age population, the median age of working population was younger, and applications for Comprehensive Social Security Assistance (CSSA) in Lantau only accounted for about 1.6% of Hong Kong's total.

5. The Chairman said that as agenda items 3 and 4 were similar in nature, he suggested that Members discussed those related issues after the briefing in agenda item 4.

Agenda item 4: Vocational Education / Training and Employment Support Services Provided for Residents on the Lantau Island
(ESD SC Paper No. 02/2015)

6. Mrs Tonia LEUNG SO Suk-ching, Assistant Commissioner (Employment Services), LD, said that the unemployment rate in the Islands District (3.1%) was lower than Hong Kong's average (3.4%) according to the data in 2013.

7. Ms Pecvin YONG, Principal Assistant Secretary (Further Education), EDB, said that in respect of vocational education service, the VTC currently operated the Technological and Higher Education Institute of Hong Kong (THEi), Hong Kong Institute of Vocational Education (IVE) and Youth College (YC) in the neighborhood

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of Lantau, including Tsing Yi and Kwai Chung, offering a diverse range of courses. VTC also tendered vocational education, implemented a pilot scheme on employment support and provided job and internship opportunities for students with a higher diploma and some with a diploma in Vocational Education to meet the vocational education needs of Lantau residents.

8. Ms Catherine LAW, Senior Labour Officer (Employment Services) (Policy), LD, said that in terms of employment support, LD set up an employment centre in Tung Chung, organized recruitment and training activities in partnership with employers in Lantau, and launched various youth training and employment assistance programs to support the employment of local residents.

9. Ms Sue WONG, Senior Manager (Course Development), ERB, said that the Board appointed training institutes to operate a total of 53 training centres in Tung Chung and neighbouring areas (Tsing Yi, Tsuen Wan and Kwai Chung), providing courses that covered 20 trades for those in need. The Board also set up a service center to provide a range of self-help and support services. Currently, about 300 Lantau residents were members of the centre.

10. Members expressed different views on agenda items 3 and 4 as follows:

- They were concerned about the shortage of human resources in Lantau. Airport currently had 4,000 to 5,000 job vacancies. The development of the third runway and the North Commercial District (NCD) on airport island would further require significant amounts of human resources in a range of sectors such as dining and retail services, raising the concern about the inadequate supply of manpower to meet future needs of workforce.
- They believed that Lantau should build up a regional talent pool to tackle the mis-matches of human resources. A Member stated that the region had approximately 1,000 high school leavers each year but the majority did not continue their schooling. This group of young people would constitute an important part of the workforce. However, according to his personal experience, these young people did not understand the needs of employers in the region and thus communication work needed to be strengthened. Another Member said that many young people in the region wished to pursue further education with academic degrees, and therefore suggested setting up a tertiary

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institute to provide curricula such as aircraft engineering and tourism for the young people.

- Due to the expensive transport fares, coupled with the inadequacy of transportation services (especially at night), Lantau was unable to attract people outside the region to work in the region, especially for grass-roots jobs. In addition, other factors such as the shortage of quality primary/secondary schools and high costs of living (e.g wet market shopping) discouraged families from living in the area, further reducing the supply of human resources in the region.
- There was a view that the government should pay attention to housing development in the area so as to increase the population to cope with the future demand for human resources. The government might consider allocating dedicated land for the building of service apartments and dormitories, as well as other means to attract talent working in the region; and increasing the housing supply and controlling commodity prices so as to attract those working in Lantau to reside there. A Member suggested relaxing the development density in order to increase the number of housing units.
- In light of many local residents commuting out of Lantau to urban areas for work, a Member hoped LD could come up with measures to encourage residents to work locally.
- With shopping malls at both the Hong Kong Boundary Crossing Facilities (HKBCF) island and the NCD on airport island, it is necessary to strengthen communication and coordination for the issues on traffic arrangements and design to avoid functional duplications . Another Member responded that the shopping mall in the NCD on airport island had been preliminarily designed, and a detailed plan would be shared with the SC once available.
- Regarding the proposal to “import non-skilled and low-skilled workers from the Mainland to work in the designated airport area”, and given the urgent need to develop Lantau, a Member considered that a “special pilot district” should be established, as per the “early and pilot implementation” approach in the Mainland.

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- In order to understand the local residents' perceptions on the development, a Member proposed conducting assessments relating to social and cultural impacts on Lantau while developing the island.

11. Mrs Tonia LEUNG SO Suk-ching, Assistant Commissioner (Employment Services), LD, said that the government currently expected employers to give priority to employ local workers and only applied for imported labour when needed workforce could not be recruited locally in Hong Kong. The present labour importation scheme mainly implemented based on natures of work and industries, rather than geographical locations. LD encouraged employers to attract talent by rising pay, providing appropriate transport arrangements, and showing the young people their career paths. She added that the proposal of importing labour from the Mainland was highly controversial, as this touched the Hong Kong's overall labour policy. The government should first cater for the needs of grass-roots workers.

12. Mr CHAN Chi-ming, Deputy Secretary (Works) 2, DEVB, said that he understood the imminent issue of labour shortage. With the scheduled completion of the Tuen Mun-Chek Lap Kok link in 2018, he believed that the link would attract residents from the Northwest New Territories including Tuen Mun to work in Lantau Island.

Agenda item 5: Development of North Commercial District on Airport Island
(ESD SC Paper No. 03/2015)

13. Ms Cissy Chan, Executive Director, Commercial, AAHK, said that AAHK had been currently working actively to develop the NCD on airport island into a landmark tourist destination in Hong Kong to receive tourists and Hong Kong residents. She explained that as the present attractions in Lantau were mainly for recreation, she envisioned that the NCD could be developed into the largest retail shopping mall in Hong Kong with hotel facilities, complementing with other Lantau attractions, to boost Hong Kong's tourism. She said that the critical success factors for the project would lie on the mall's uniqueness, visitors' critical mass, and transport connectivity. The retail development in the first phase of the project covered a gross floor area of about 200,000 square meters. AAHK was launching a project design workshop for the first phase of retail, dining and entertainment development. The project was targeted for tender invitation in mid-2015, while the first phase of retail development was scheduled for opening in 2019 tentatively.

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14. Members made a number of comments to the paper, which were summarized as follows:

- A Member agreed that the development of a large shopping mall facility in the airport island commercial district could promote social and economic development. It could also be distinguished from the local market segment in receiving overseas and mainland visitors without disturbing local residents. Another Member appreciated the incorporation of Hong Kong characteristics into the shopping mall design theme. A Member reminded that the commercial district should not be positioned for development of shopping mall only. Instead, it should be targeted to build an ‘Entertainment City’, supported by comprehensive transport network and hotel facilities, to make it a new tourist highlight of Hong Kong.
- A Member suggested carrying out a social impact assessment on local residents, the social and business environments due to the NCD development and increase of visitors. A Member suggested that a portion of the profits earned from the success of the NCD development should be given back to the local communities. Another Member believed that Lantau had long been a tourist area, and he was therefore confident with local residents’ reception capacity for tourists and their higher receptivity.
- A Member opined that as the NCD is adjacent to the Hong Kong-Zhuhai-Macao Bridge (HZMB) BCF Island and the economy of western Guangdong was currently at least five times less than that of the eastern part, tourists travelling to Hong Kong from the western regions to NCD via the bridge would foreseeably be less in numbers and purchasing power than those from the eastern regions of Guangdong. Relevant economic information should be taken into account if the NCD on airport island mainly targeted for tourists from Western Guangdong. Another Member added that apart from airport passengers, tourists to Hong Kong via the HZMB and Hong Kong residents, Eastern Guangdong visitors might come there via Tuen Mun-Chek Lap Kok link, which was connected to the Shenzhen Bay Bridge, leading up to towns and cities in Eastern Guangdong such as Shekou, Qianhai, Nansha, Dongguan and Guangzhou. A Member was of the view that the commercial district also appealed strongly to visitors from East China.

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- Attention was paid to the transport connectivity between the HZMB and the NCD. A Member expressed concern about the adequacy of car parking spaces after the opening of the HZMB. To fully utilize the land, another Member suggested building a multi-storey car park for the parking of vehicles from Guangdong and Macau. He also pointed out that the original design of the HKBCF had reserved an excessive number of clearance kiosks for freight vehicles. However, with the current economy transformation in the Pearl River Delta, less freight traffic would be expected and hence more space should be set aside for public transport and private cars. A Member said that as the NCD and the HKBCF island were only 500 metres apart, a travelator was planned to link the two areas.
- There was concern about overall traffic and transport in Lantau because visitors to Lantau were expected to visit other tourist attractions in addition to the NCD. The Chairman considered that Lantau's transport network was not comprehensive with relatively weak connections among attractions. The growing number of visitors to Lantau would put pressure on local traffic, and he hoped that the Traffic and Transport Subcommittee could put forward more suggestions for improvements. A Member said that Lantau is one of the regions in Hong Kong with natural coastlines, and therefore considered it inappropriate to build a coastal road between Tung Chung and Fan Lau. However, another Member argued that the extension road from Tung Chung to Tai O would complement the Tai O's revitalisation plan and could release some of the land along the road. The extension road should be considered if supported by appropriate measures (such as restricting the speed and type of vehicle to use it); nevertheless, the road from Tai O to Fan Lau was not recommended due to low economic value and cost effectiveness.

15. Mr CHAN Chi-ming, Deputy Secretary (Works) 2, DEVB, said that DEVB was currently having close communication with AAHK. As the NCD on airport island would be developed earlier than the topside development at HKBCF island, he hoped AAHK could provide relevant information so that the two developments could complement each other and avoid duplication of functions. DEVB had obtained funding for the study on the transport connections with the HKBCF island, and AAHK would also conduct a study on the connectivity of the NCD. He added that the HKBCF island had already reserved spaces for parking of non-freight vehicles.

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16. A Member suggested inviting other public services institutions to participate in the SC's meeting, bringing up new ideas and concerns.
17. The Chairman thought that the SC should consolidate and prioritize the proposals from Members, and then submit to the government for consideration. He recommended that an informal meeting should be held later with all Members to discuss relevant issues.
18. There being no other business, the meeting was adjourned at 5:15 p.m.