

Asiad hosting expenditure estimate includes inflation factor

On media enquiries about the expenditure of hosting the 2023 Asian Games (Asiad), a spokesman for the Home Affairs Bureau responded today (December 17) as follows:

In its paper submitted to the LegCo Panel on Home Affairs, the bureau has detailed the projected financial costs. It is estimated that the direct total cost of staging the Games would be about \$6 billion at the current price level, made up of the required operating cost and capital cost. According to the practice adopted in seeking Finance Committee's acceptance in principle of the financial implications, they are illustrated at the current price level.

The Government has been committed to upgrading the sporting facilities as part of the endeavours to promote sports. In the past five years, the Government allocated more than \$3.5 billion to the construction and improvement of the facilities. In the coming decade, resources would be continued to be allocated on a large scale, to the tune of over \$30 billion. They include the Multi-purpose Stadium Complex (MPSC) at Kai Tak and other indoor sports centres and stadia already on the drawing board.

Money-of-the day (MOD) prices are illustrated when formal fund applications are submitted for individual projects to the LegCo Public Works Sub-Committee and Finance Committee. In calculating the MOD prices of the estimated total direct and indirect costs, the Government has included inflation rates and price deflators for construction items. The sets of estimated figures have been published in the Panel paper.

The sites for the sporting facilities have long been identified and allocated for the purpose to meet the needs of the public. The projects will go ahead to cater for the long term needs of community with or without the Asian Games. Indeed, the planning of Kai Tak MPSC was announced in the 2006-07 Policy Address. The sports facilities will become assets for the people of Hong Kong as well as long-term investment of the Government in promoting sports for all and elite sports.

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