

立法會
Legislative Council

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Panel on Economic Development

**Minutes of special meeting
held on Friday, 10 June 2011, at 10:45 am
in Conference Room A of the Legislative Council Building**

Members present : Hon Jeffrey LAM Kin-fung, SBS, JP (Chairman)
Hon Ronny TONG Ka-wah, SC (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Dr Hon David LI Kwok-po, GBM, GBS, JP
Hon Fred LI Wah-ming, SBS, JP
Hon CHAN Kam-lam, SBS, JP
Hon Emily LAU Wai-hing, JP
Hon Vincent FANG Kang, SBS, JP
Hon WONG Ting-kwong, BBS, JP
Hon CHIM Pui-chung
Hon Starry LEE Wai-king, JP
Hon IP Wai-ming, MH
Hon Paul TSE Wai-chun
Dr Hon Samson TAM Wai-ho, JP
Hon Tanya CHAN
Hon Albert CHAN Wai-yip

Members attending: Hon CHEUNG Man-kwong
Hon LEE Wing-tat
Hon KAM Nai-wai, MH
Hon IP Kwok-him, GBS, JP

Members absent: Hon Miriam LAU Kin-ye, GBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Dr Hon LEUNG Ka-lau
Hon Mrs Regina IP LAU Suk-ye, GBS, JP

Public officers attending : Agenda item I

Ms Eva CHENG, JP
Secretary for Transport and Housing

Mr Esmond LEE, JP
Deputy Secretary for Transport and Housing
(Transport)

Ms Jenny CHAN
Principal Assistant Secretary for Transport and
Housing (Transport)

Attendance by invitation : Agenda item I

Mr Stanley HUI
Chief Executive Officer
Airport Authority Hong Kong

Mr Howard ENG
Executive Director, Airport Operations
Airport Authority Hong Kong

Mr Wilson FUNG
Executive Director, Corporate Development
Airport Authority Hong Kong

Ms Olivia LIN
General Manager, Facilities Planning
Airport Authority Hong Kong

Ms Julia YAN
General Manager, Strategic Planning &
Development
Airport Authority Hong Kong

Clerk in attendance : Ms Debbie YAU
Chief Council Secretary (1)6

Staff in attendance : Mr Watson CHAN
Head (Research)

Ms Diana WONG
Research Officer 2

Mr Ken WOO
Council Secretary (1)6

Ms Michelle NIEN
Legislative Assistant (1)6

Action

I Hong Kong International Airport Master Plan 2030

(LC Paper No. CB(1)2364/10-11(01) - Administration's paper on Hong Kong International Airport Master Plan 2030

IN14/10-11 - Paper on the development of a third runway at Hong Kong International Airport prepared by Research Division of the Legislative Council Secretariat (Information note) (Chinese version only)

LC Paper No. CB(1)2364/10-11(02) - Paper on the development of a third runway at the Hong Kong International Airport prepared by the Legislative Council Secretariat (Background brief)

LC Paper No. CB(1)2442/10-11(01) - Powerpoint presentation materials provided by Airport Authority Hong Kong
(*tabled and subsequently issued via email on 10 June 2011*)

LC Paper No. CB(1)2442/10-11(02) - Submission from Mr KOO

*(tabled and subsequently issued via Tak-tsai (Chinese version only))
email on 10 June 2011)*

Briefing by the Administration

The Secretary for Transport and Housing (STH) said that the Government fully supported the public consultation launched by Airport Authority Hong Kong (AA) on the Hong Kong International Airport (HKIA) Master Plan 2030, which was an important matter as airport development underpinned economic development, created economic benefits and job opportunities. The aviation industry and the upstream and downstream economic activities all relied on the flow of people and cargo. As airport development required a long lead time with considerable advance planning and HKIA was only able to cope with air traffic demand up to 2020, it was important to map out the development needs through the HKIA Master Plan 2030. The Government appreciated the community's concern about the capital investment, funding arrangements and environmental impacts of constructing the third runway. The Government expected AA to submit a recommendation on the way forward in late 2011 and would carefully consider the recommendation, with a view to deciding on the next stage of work, which included the funding arrangements, detailed engineering design and statutory environmental impact assessment (EIA).

2. With the aid of powerpoint presentation, Mr Stanley HUI, Chief Executive Officer, AA briefed members on the HKIA Master Plan 2030, which outlined two development options, i.e. Option 1, to enhance the present two-runway system, and Option 2, to construct a third runway. Hong Kong's four economic pillars relied heavily upon the efficient flow of people and goods made possible by HKIA. In 2008, the total economic contribution made by aviation in Hong Kong and other businesses at HKIA amounted to \$78 billion in value added, or 4.6% of Hong Kong's gross domestic product (GDP). The number of direct and indirect/induced employment were 62 000 and 124 000 respectively in 2008.

3. Mr Stanley HUI of AA also advised that the latest base-case traffic demand forecast for HKIA by 2030 was 97 million passengers, 8.9 million tonnes of cargo and 602 000 air traffic movements per year. Under Option 1 on enhancing airport infrastructure and facilities under the two-runway system, HKIA's capacity could be increased to handle a maximum of about 74 million passengers, 6 million tonnes of cargo and 420 000 air traffic movements annually. Under this option, HKIA would only be able to cope with base-case air traffic demand up to 2020 and it would not be able to accommodate additional flight movements beyond that. A third runway, however, would be able to meet forecast air traffic demand up to 2030 and possibly beyond. This option entailed the reclamation of about 650 hectares

of land north of the existing airport island (as opposed to 980 hectares of land reclaimed for building HKIA) and the provision of the associated facilities, including taxiway systems, passenger concourses and so on.

4. Mr Stanley HUI of AA took Panel members through the key considerations in comparing the two options as detailed in the HKIA Master Plan 2030 (CB(1)2364/10-11(01)). Specifically, Mr HUI highlighted the remarkable growth in throughput and connectivity between the then single-runway Kai Tak International Airport and the two-runway HKIA, in which the former served about 120 destinations and handled 28.6 million passengers and 1.6 million tonnes of cargo in 1998 as opposed to the latter which served about 160 destinations and handled 50.9 million passengers and 4.1 million tonnes of cargo in 2010. Mr HUI also highlighted the significant unfulfilled demand for air services both in the medium term up to 2020 and in the long term up to 2030 for Greater Pearl River Delta (GPRD) airports and remarked that it was not a viable proposition that greater co-operation with GPRD airports could replace the need for expanding HKIA's capacity. The joint conference attended by five major airport operators of GPRD in March 2011 had also agreed that those operators would, while remaining committed to coordinating with each other on developments at the airports, continue to develop based on development needs of the cities in which the airports were located.

5. On economic benefits, Mr Stanley HUI of AA advised that the Economic Net Present Value for Option 1 and Option 2 were estimated to be 432 billion and 912 billion respectively up to 2061. The direct, indirect and induced contribution of HKIA to Hong Kong's GDP in 2030 under Option 1 and Option 2 would be 120 billion and 167 billion respectively, equivalent to around 3.3% and 4.6% of Hong Kong's GDP forecast for 2030 as compared to 4.6% in 2008. As for employment opportunities under Option 1, direct employment would be increased from 62 000 in 2008 to 101 000 in 2030 while that indirect and induced employment would be increased from 124 000 in 2008 to 143 000 in 2030. Direct employment would reach 141 000 and indirect and induced employment would increase to about 199 000 by 2030 for Option 2.

6. On capital investment, Mr Stanley HUI of AA advised that on the basis of the final recommended airport layout, a preliminary estimate of approximately 23.4 billion and 86.2 billion (in 2010 dollars) or 42.5 billion and 136.2 billion (at money-of-the-day (MOD) prices) were required for Option 1 and Option 2 respectively. Mr HUI explained the huge difference in the cost estimate between the options and remarked that the land formation for the third runway option alone accounted for about 45% of the overall estimate. Mr HUI further pointed out that about 25 billion and 102 billion cumulative funding shortfall after debt financing were estimated for Option 1

and Option 2 respectively.

7. On environmental concerns, Mr Stanley HUI of AA emphasized that every attempt would be made to minimize the possible environmental disturbance arising from the construction of the proposed third runway. The proposed reclamation site was far away from Sha Chau and Lung Kwu Chau Marine Park. As about 40% of the proposed reclamation would fall upon an area of Contaminated Mud Pits (CMPs), reclamation in this area was suggested to be carried out by "Deep Cement Mixing", instead of the conventional dredging reclamation method, which had the advantage of minimizing disturbance to the contaminated mud. AA had met with the green groups to discuss their concerns on the preservation of Chinese White Dolphins. Mr HUI further advised that with newer aircraft producing less noise and the introduction of new flight paths and flight procedures made possible by the three-runway system, the preliminary Noise Exposure Forecast (NEF) contours projected for the three-runway system did not differ significantly from the 1998 NEF contours for the new airport. The existing South runway would also be put into standby operation at night time, thus reducing the chance of flights taking off on the flight path over Ma Wan at night and reducing aircraft noise disturbance to the area.

Discussion

8. The Chairman, Mr CHAN Kam-lam and Ir Dr Raymond HO declared that they were members of the Board of AA.

HKIA Master Plan 2030 and a third runway

9. Mr Vincent FANG declared that he was a former member of the Board of AA and had taken part in the preparation of the HKIA Master Plan 2030. He said that Members belonging to the Liberal Party as well as the wholesale and retail sectors had expressed support for the building of a third runway for HKIA. Mr FANG opined that following the development of the tourism industry and the implementation of Individual Visit Scheme in Hong Kong, the building of a third runway would be conducive to boosting further growth of the retail, food and beverage and hotel industries. In view of the impending expansion of the airports in the Pearl River Delta (PRD) Region, it would be unwise for Hong Kong not to take forward a third runway such that the increased flights would be absorbed by the neighbouring airports. To maintain HKIA's competitiveness, he urged the Government to liaise with the Mainland aviation authority for allocation of more airspace to meet the expected growth in air movements.

10. Mr CHAN Kam-lam said that as a LegCo Member, he considered that Hong Kong should strive to maintain its competitiveness by developing

infrastructures and improving air service quality in tandem with airport development in GPRD cities to meet the future challenge.

11. STH responded that the Civil Aviation Department (CAD), the Civil Aviation Administration of China and the Macao Civil Aviation Authority had set up a tripartite working group to improve the use of airspace and co-ordination of air traffic management in the PRD region. With CAD's new air traffic control centre to be commissioned in 2013, the three-runway system, if adopted, could support a practical maximum runway capacity of 102 air traffic movements per hour. STH further advised that in spite of the planned developments of the airports in GPRD, there was still a significant unfulfilled demand for air services both in the medium term up to 2020 and in the long term up to 2030 for GPRD airports.

12. Mr IP Wai-ming noted with concern the intense competition in the container freight industry between Hong Kong and its neighborhood cities. Noting the direct, indirect and induced employment opportunities to be created by both options, Mr IP asked whether an assessment had been made on the number of employment opportunities missed if either or both of the Options were not taken forward.

13. STH responded that while an estimate of the employment opportunities missed if either or both options were not taken forward was not available, the additional direct and indirect/induced employment opportunities created under Option 2 over Option 1 were about 40 000 and 56 000 respectively. STH stressed the importance of developing airport infrastructure so that the status of HKIA as an international aviation hub could be maintained amid the intensifying competition in the region.

14. While acknowledging the significance of a third runway on the future development of HKIA, Miss Tanya CHAN highlighted that Members belonging to the Civic Party were open-minded to the Options proposed in the HKIA Master Plan 2030. She asked about the progress of the rail connection between HKIA and Shenzhen Airport as presented in the 2007-2008 Policy Address as the rail might help address some of the air traffic demand and lengthen the duration before the third runway reaching its maximum capacity.

15. STH responded that the Hong Kong-Shenzhen Western Express Line (WEL) was currently included in the Review and Update of the Railway Development Strategy 2000 being conducted by the Government. STH stressed that WEL would provide an efficient mode of transport to facilitate seamless passenger connections between the two airports for the travelling public to fly via HKIA internationally or Shenzhen Airport domestically.

16. Mr Paul TSE opined that better air connectivity was crucial to maintaining Hong Kong's competitiveness in aviation, tourism, logistics and financial sectors. Mr TSE considered that Guangzhou might replace Hong Kong as an international aviation hub if the future development of HKIA was not strategically planned. Highlighting the recent development of Maldives and Fiji as famous tourist spots following the availability of direct flights to these destinations, Mr TSE did not consider the rail connection between HKIA and Shenzhen Airport conducive to the tourism development of Hong Kong. He also enquired about the critical factors that might hinder the HKIA development proposal from taking forward, the actual economic internal rate of return of HKIA since its inception in Chek Lap Kok, and the experience of the Heathrow Airport in deciding not to build an extra runway despite its maximum runway capacity had been reached.

17. STH responded that while important considerations such as environmental impacts, capital investment and economic benefits were addressed in HKIA Master Plan 2030, upon a consensus being reached on the development option, more studies would be carried out in the next stage of work. This included the statutory EIA process which would look into effective mitigation measures to minimize the environmental impacts. Mr Stanley HUI of AA pointed out that, as Heathrow Airport reached its maximum runway capacity, airlines had deployed bigger aircraft and used available slots to operate more lucrative routes instead of the less profitable ones. The reduction in frequency of less profitable routes had in turn resulted in a longer connecting time, a shrinking network, less choices and higher prices on most routes.

18. Mr Fred LI noted with concern that a third runway to be commissioned after 2020 might only be able to meet Hong Kong's traffic demand up to 2030. He considered a more forward-looking planning should be carried out with a view to meeting the air traffic demand beyond 2030.

19. STH advised that the master plan was reviewed every five years so that enhanced airport facilities could be put in place in a timely manner to meet the needs of the aviation industry. With the successful implementation of the measures for enhancing the capacity of the existing two runways and with CAD enhancing its air traffic control capability, the capacity of the existing two runways was able to cope with air traffic demand up to 2020. The HKIA Master Plan 2030 was conducted with a view to meeting Hong Kong's future aviation service needs and a three-runway system could meet Hong Kong's unconstrained traffic demand up to 2030. An even longer term planning beyond 2030 could be difficult as aircraft and technological advancements posed uncertainties in the relevant planning.

Construction cost and financing approach

20. Referring to the concerns about the huge capital expenditure involved in building a third runway, Mr Vincent FANG remarked that while similar criticism was raised during the planning of HKIA at Chek Lap Kok, the economic benefits that came with it were now well-recognized. He highlighted that the economic benefits to be brought about by the third runway might even be higher than those estimated in the HKIA Master Plan 2030.

21. Considering the construction cost would rise with time, Mr CHAN Kam-lam referred to the concerns expressed by some scholars and asked whether the Administration had conducted an assessment into the impact of the construction cost on airport charges as their increases, if any, would undermine the competitiveness of Hong Kong's aviation industry.

22. STH explained that as about \$25 billion and \$102 billion cumulative funding shortfall after debt financing by AA were envisaged for Option 1 and Option 2 respectively, AA would propose to the Government ways to finance the project upon a decision on HKIA's future development option was made. Consideration would be given to maintaining the competitiveness of HKIA as an aviation hub irrespective of the financing approach chosen. Mr Stanley HUI of AA added that the user-pay principle would form an integral part of the financing approach coupled with other possible means including debt financing and bonds issuing by AA.

23. Mr Albert CHAN expressed grave concern about the huge difference in the capital cost between the current proposal and that for the present HKIA. These included land formation (\$38.9 billion for reclaiming 650 hectares of land versus \$9 billion for 1 000 hectares of reclaimed land), Automated People Mover extension (\$4.2 billion versus \$0.3 billion), and Baggage Handling System enhancement (\$4.3 billion versus \$0.64 billion).

24. STH pointed out that relevant factors like inflation and changes to cost structure should be taken into account in comparing the costs of building a third runway and the present HKIA. AA would be asked to exercise prudence in controlling the costs of the development project for cost effectiveness.

25. Mr Ronny TONG highlighted the exorbitant construction cost for a third runway which might amount to \$136.2 billion in MOD prices. He expressed concern that according to some experts, the prevailing trend was to manufacture narrow-bodied aircraft for the sake of environmental protection. As such, a shorter runway situated closer to the North runway would be sufficient to support the increased flight movements and hence the capital cost could be reduced as a result of a smaller scale of reclamation. Mr Fred

LI concurred with the view and opined that flights within the Asian region could be served by narrow-bodied aircraft.

26. Mr Stanley HUI of AA responded that wide-bodied aircraft and narrow-bodied aircraft currently accounted for 70% and 30% respectively of air traffic movements at HKIA. If the three-runway system would be taken forward, a longer runway would be needed for the operational efficiency and flexibility. In addition, the existing North runway would be temporarily closed after the new runway was completed and the existing South runway would also be put into standby mode at night time after the opening of the third runway. As far as the area of reclamation was concerned, Mr HUI advised that after taking into consideration a number of important factors such as the taxiway systems and the aprons required for the three-runway, the present proposal of reclaiming about 650 hectares of land was considered the most appropriate. He added that a shorter runway could at most reduce an insignificant area of reclamation of about 50 hectares and bring about a small savings of \$3 billion but it would severely constrain the capacity of HKIA in the long term. On the basis for arriving at an estimate of approximately \$136.2 billion in MOD prices for Option 2, Mr HUI explained that in estimating the MOD construction cost of the project, based on the current estimate of \$86.2 billion in 2010 dollars, AA had used the same Tender Price Index adopted by the Government, which was estimated to increase at the rate of 5% per annum from 2011 to 2014, 5.5% per annum from 2015 to 2020 and 3% per annum thereafter.

27. In response to Mr Ronny TONG's further enquiry, Mr Stanley HUI of AA said he was of the view that wide-bodied aircraft, such as Boeing 787 and Airbus 350, would continue to be the main aircraft types to be used by airlines in the foreseeable future to operate international flights at various aviation hubs such as HKIA.

28. The Chairman said that the Economic Synergy urged the Administration to expedite the study and better control the capital expenditure incurred for the project. While expressing support for the building of a third runway as an enhancement to the handling capacity of HKIA, the Chairman stressed the importance of effectively controlling air passenger traffic, especially in the case of unforeseeable circumstances like adverse weather conditions, to optimize HKIA's handling capacity. The Chairman also urged AA and the Administration to actively reach out to the community during the consultation period to address the various concerns and clarify any misunderstandings and even rumours on the project.

29. In response to the Chairman's enquiry, STH said that other means to finance the project could be considered, such as levying an airport construction surcharge (as in some other airports) or collecting a fee from

passengers.

Environmental impacts

30. Mr Vincent FANG highlighted that in taking forward a third runway, consideration should be given to the needs of economic development while efforts should be made to minimize environmental impacts. He asked about the cost involved in devising mitigation measures to meet the environmental standards. In reply, Mr Stanley HUI of AA said that the reclamation for the construction of a third runway would be carried out by the "Deep Cement Mixing" reclamation method on a non-dredging basis in order to contain the disturbance to the marine ecology to the minimum. The use of the non-dredging reclamation method would incur an additional cost of about \$15 billion as compared with the conventional means.

31. Mr KAM Nai-wai considered the expansion of HKIA and the construction of a third runway necessary in enhancing HKIA's competitiveness in the GPRD region. Noting that the EIA studies for the projects under the Plan were not yet conducted, he asked whether the Government was confident that the relevant statutory EIA reports could meet the baseline standards promulgated in a recent ruling in relation to the Hong Kong Section of the Hong Kong-Zhuhai-Macao Bridge (Hong Kong Section of HZMB) project. Mr IP Wai-ming shared similar views.

32. In response, STH advised that it was the Administration's intention to reach a consensus in the community on the future development of HKIA before a statutory EIA would be conducted. She added that it was also a legal requirement for an EIA study to assess the cumulative environmental impacts of a works project along with the ones already confirmed for implementation. The Hong Kong Section of HZMB would thus be brought under the EIA study for the proposed airport development which would be conducted in full compliance with the relevant legal requirements.

33. Mr KAM Nai-wai was also concerned that the aircraft noise along the third runway would cause nuisance to the residential community in Tsing Lung Tau. While noting from the HKIA Master Plan 2030 that preliminary studies on the possible air quality impact of the flight movements projected for 2030 under the three-runway option indicated that it would not exceed the prevailing Air Quality Objectives (AQOs) for all air sensitive receivers near HKIA, Mr KAM however pointed out that the Government was currently reviewing Hong Kong's AQOs. The Chairman also asked whether the relevant estimate had taken into account factors like the future commissioning of the Hong Kong Section of HZMB and the expansion in the population in Tung Chung.

34. Mr Stanley HUI of AA explained that as the proposed third runway would be dedicated for arrivals only, which would produce less noise than departing flights with engines at full power, the noise level at Tuen Mun and Ma Wan would not be further aggravated. The introduction of newer aircraft by 2020 would also produce considerably less noise as compared with the present ones in use. Mr HUI advised that the patronage projection of the Hong Kong Section of HZMB as contained in the relevant EIA study and the traffic demand forecast for HKIA by 2030 at 602,000 flight movements per year had been duly considered in the preliminary assessment of the impact of the three-runway option on air quality. He also said that the prevailing AQOs would be taken into account in the detailed air quality impact assessment to be conducted under the statutory EIA process.

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35. Mr KAM Nai-wai requested the Administration to provide the full report of the preliminary environmental assessment of building a third runway conducted by Mott MacDonald and the number of complaints about aircraft noise nuisance made in each of the past five years.

(Post-meeting note: The requested information provided by AA was circulated to Panel members on 18 and 13 July 2011 vide LC Paper Nos. CB(1)2754/10-11(15) and CB(1)2707/10-11(51) respectively.)

36. Ms Emily LAU remarked that she had urged the Administration to consult the Panel early on the future development of HKIA as it was approaching its maximum runway capacity. She said that the Democratic Party welcomed the HKIA Master Plan 2030 and it would study the Plan as well as the views received before taking a stance. Noting that the environmental concern groups had dissenting views about the construction of a third runway due to reclamation, Ms LAU urged that lessons should be drawn from the experience in implementing the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (Hong Kong Section of XRL) project. While considering that it was necessary to balance the needs of economic development and environmental protection, Ms LAU stressed that efforts should be made to meet with various stakeholders to properly address their concerns throughout the consultation and the construction stages.

37. Mr Albert CHAN opined that the need for a third runway was unquestionable from the perspective of economic development. However, the scale of the works would bring further adverse impact on the habitat of Chinese White Dolphins and threaten their survival. He considered that the Administration should conduct a detailed EIA study to ascertain the level of damage to the Chinese White Dolphins prior to other preparation tasks in order to determine whether to proceed with the works. He recalled that in the light of the construction of HKIA at Chek Lap Kok, the Administration

and AA had undertaken to provide a dolphin sanctuary at the Sha Chau and Lung Kwu Chau Marine Park but the relevant progress and updates had not been provided to Members. Mr Albert CHAN and Ms Emily LAU requested the Administration to provide information on the undertakings in respect of conservation of Chinese White Dolphins when HKIA was first commissioned in 1998, the measures implemented and those that were currently being undertaken, if any.

(Post-meeting note: The requested information provided by AA was circulated to Panel members on 13 July 2011 vide LC Paper No CB(1)2707/10-11(50).)

38. Mr Albert CHAN expressed grave concern that the proposed third runway would bring about a shift of aircraft noise nuisance from Ma Wan to Hong Kong Gold Coast but at a much higher intensity due to the lower flying height. He was dissatisfied that the Administration failed to provide information on the NEF 25 contours for HKIA within which the building of premises should be prohibited. Highlighting that Hong Kong sought to control various noise nuisances except aircraft noise, Mr CHAN urged the Administration to consider controlling aircraft noise through legislation.

39. Mr LEE Wing-tat urged that the Administration should pay due respect to those residents affected by aircraft noise and sincerely address their views and concerns. He highlighted that NEF 25 contours were of little meaning to the residential communities affected by aircraft noise because the affected residents, once being awakened by aircraft noise at midnight, could hardly fall asleep again even though the average noise level was within an acceptable range. Citing the information from CAD that the busy hours of HKIA had now been extended to 11 pm, Mr LEE urged the Administration to put in place effective measures to mitigate noise impacts on the residential districts concerned, such as by allowing only Chapter 4 aircraft which produced less noise to use HKIA in late night.

40. In response, STH advised that information on the NEF contours for both the two-runway and three-runway options had in fact been included in the HKIA Master Plan 2030. The alignment, flight paths and flight procedures for the proposed three-runway option had been designed in such a way that disturbance to the residential communities in close proximity to HKIA could be kept to the minimum. To minimize noise disturbance at night time, CAD had encouraged airlines to adopt the Continuous Descent Approach procedure for nighttime approaches from the northeast. Independent consultants had also been commissioned to research into different strategic aspects of airport development, including environment impacts, to facilitate preliminary planning on future airport development. AA had also been in close liaison with the green groups and the affected

communities on the project and would continue the dialogue.

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41. Mr Albert CHAN remained of the view that legislation should be enacted to control aircraft noise in order to better protect the residential communities which might be subject to the noise nuisance arising from the future operation of the third runway. He requested the Research Division of the LegCo Secretariat to research into the regulation of aircraft noise in Hong Kong and San Francisco.

(Post-meeting note: An information note prepared by the Research Division of the LegCo Secretariat was circulated to Panel members on 13 July 2011 vide IN18/10-11.)

42. Responding to Miss Tanya CHAN's enquiry on the communication between AA and the green groups and whether a working group would be established to facilitate an on-going dialogue between both sides, Mr Stanley HUI of AA advised that all green groups had been invited to a briefing on the project at the beginning of the consultation period. AA would continue the dialogue with the green groups throughout and after the consultation period to address their concerns on the project.

43. In anticipation of the huge costs involved in putting in place environmental protection and mitigation measures upon a detailed EIA was conducted, Mr Fred LI asked whether a rough estimate was available at the moment. STH responded that all known costs of both options had been incorporated into the relevant project estimates as detailed in the HKIA Master Plan 2030. The final estimates could be different as they might need to reflect the costs of implementing the mitigation measures as recommended in the statutory EIA.

Meeting with deputations on HKIA Master Plan 2030

44. Ms Emily LAU suggested that the Panel should meet with deputations and receive their views on the HKIA Master Plan 2030. She considered that the future development of HKIA and the construction of a third runway straddled across the policy portfolios of the Transport and Housing Bureau (THB), the Commerce and the Economic Development Bureau (CEDB) and the Environment Bureau (ENB). In her opinion, the Administration rather than AA should have taken the lead in conducting the relevant consultation. As such, the respective Bureau Secretaries should be invited to attend the meeting with deputations. The Chairman agreed with Ms LAU's view. Mr LEE Wing-tat shared similar views on meeting arrangements and suggested extending the invitation to CAD.

45. STH said that AA was the most appropriate party to undertake the

current consultation exercise after drawing up the HKIA Master Plan 2030. In fact, the relevant government bureaux and departments had been working closely with AA in the planning process. Mr Stanley HUI of AA added that factors like operational safety, runway usability and capacity as well as environmental issues had in fact been considered in determining the alignment for the third runway.

Request for consultants' reports

46. Noting that nine consultants had been appointed for the development of the HKIA Master Plan 2030, Miss Tanya CHAN requested the Administration to provide the consultant reports prepared by each of the consultants for members' reference.

47. Mr Stanley HUI of AA explained that apart from the nine consultants commissioned for the project, the master planning process also involved consultation with the airport community and incorporated the rich experience of HKIA as an operator and service provider. The HKIA Master Plan 2030, available in an 11-page summary, a 60-page report and an over 200-page technical report, should sufficiently cater for the various needs of the public in understanding the planned development. STH emphasized that providing the consultant reports individually for public inspection could be potentially misleading as the reports were produced at different times of a process in which vast number of studies and researches were carried out with views of the airport community and operation experience incorporated.

48. Miss Tanya CHAN was unconvinced of the explanation. She moved the following motion which was seconded by Mr Albert CHAN:

"本委員會促請政府及機場管理局公開所有《香港國際機場 2030 規劃大綱》相關的顧問研究報告。"

49. At the invitation of the Chairman, Miss Tanya CHAN explained that the release of all the nine consultant reports relating to the HKIA Master Plan 2030 would be conducive to the discussion of the community on the selection of the development options.

50. Ir Dr Raymond HO expressed concern that to save papers, perhaps only the executive summaries should be made available for the perusal of members and the general public. Mr Albert CHAN suggested AA depositing a set of the reports at the LegCo Secretariat for members' reference. Mr Paul TSE suggested deferring the motion for discussion until the next meeting to enable more detailed deliberations to be made.

51. STH advised that it took time for the reports to be consolidated and

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presented in a systematic manner. Noting the time required for the relevant preparation, Miss Tanya CHAN said that the Administration and AA might provide a list of the reports pertinent to the HKIA Master Plan 2030 first and make available the reports within the consultation period for the reference of the public. At the suggestion of the Chairman, Miss CHAN said that she might move the motion if information on these reports was not ready by next meeting.

(Post-meeting note: The relevant consultant reports were sent to the LegCo Secretariat on 15 July 2011 and Panel members were duly informed of such on 18 July 2011 vide LC Paper No CB(1)2754/10-11(15).)

Conclusion

52. Summing up, the Chairman urged the Administration to take heed of members' views and concerns on the HKIA Master Plan 2030, and to provide the requested information accordingly to address members' concerns on the capital investment, financing arrangements and environmental impacts in taking forward the development option. To better gauge the views and address the concerns of the general public and stakeholders, the Panel would meet with deputations and the Administration at the Panel's next regular meeting scheduled for 19 July 2011, and representatives from THB, CEDB, ENB, CAD and AA would be invited to the meeting.

II Any other business

53. There being no other business, the meeting ended at 12:50 pm.

Council Business Division 1
Legislative Council Secretariat
3 October 2011