

**立法會**  
**Legislative Council**

LC Paper No. ESC27/15-16

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Ref : CB1/F/3/2

**Establishment Subcommittee of the Finance Committee**

**Minutes of the 3<sup>rd</sup> meeting  
held in Conference Room 1 of Legislative Council Complex  
on Wednesday, 18 November 2015, at 8:30 am**

**Members present:**

Hon Mrs Regina IP LAU Suk-yee, GBS, JP (Chairman)

Hon WONG Kwok-kin, SBS (Deputy Chairman)

Hon Albert HO Chun-yan

Hon James TO Kun-sun

Hon CHAN Kam-lam, SBS, JP

Hon TAM Yiu-chung, GBS, JP

Hon WONG Kwok-hing, BBS, MH

Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN

Hon WONG Ting-kwong, SBS, JP

Hon Cyd HO Sau-lan, JP

Hon Starry LEE Wai-king, JP

Hon CHAN Hak-kan, JP

Hon IP Kwok-him, GBS, JP

Hon Alan LEONG Kah-kit, SC

Hon LEUNG Kwok-hung

Hon Albert CHAN Wai-yip

Hon NG Leung-sing, SBS, JP

Hon Steven HO Chun-yin, BBS

Hon WU Chi-wai, MH

Hon YIU Si-wing, BBS

Hon MA Fung-kwok, SBS, JP

Hon Charles Peter MOK, JP

Hon CHAN Chi-chuen

Dr Hon Kenneth CHAN Ka-lok

Hon LEUNG Che-cheung, BBS, MH, JP

Hon Kenneth LEUNG

Hon Alice MAK Mei-kuen, BBS, JP  
Hon KWOK Wai-keung  
Hon Christopher CHEUNG Wah-fung, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Hon SIN Chung-kai, SBS, JP  
Dr Hon Helena WONG Pik-wan  
Hon IP Kin-yuen  
Hon Martin LIAO Cheung-kwong, SBS, JP  
Hon POON Siu-ping, BBS, MH  
Hon TANG Ka-piu, JP  
Dr Hon CHIANG Lai-wan, JP  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon CHUNG Kwok-pan  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP

**Members absent:**

Hon LEUNG Yiu-chung  
Hon Emily LAU Wai-hing, JP  
Hon CHAN Han-pan, JP  
Hon Dennis KWOK  
Dr Hon Elizabeth QUAT, JP

**Public Officers attending:**

Ms Esther LEUNG, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Eddie MAK Tak-wai, JP	Deputy Secretary for the Civil Service (1)
Mr Joseph LAI, JP	Permanent Secretary for Transport and Housing (Transport)
Mr Wallace LAU	Deputy Secretary for Transport and Housing (Transport)4
Mr Henry CHU	Assistant Secretary for Transport and Housing (Transport) (Airport Expansion Project Coordination Office)A

**Clerk in attendance:**

Ms Connie SZETO	Chief Council Secretary (1)4
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**Staff in attendance:**

Ms Anita SIT	Assistant Secretary General 1
Mr Jason KONG	Council Secretary (1)4
Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Ms Haley CHEUNG	Legislative Assistant (1)9
Miss Yannes HO	Legislative Assistant (1)6

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Action

The Chairman drew members' attention to the information paper ECI(2015-16)11 which set out the latest changes in the directorate establishment approved since 2002. She then reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP"), they should disclose the nature of any direct or indirect pecuniary interest relating to the funding proposals under discussion at the meeting before they spoke on the items. She also drew members' attention to RoP 84 on voting in case of direct pecuniary interest.

**EC(2015-16)8      Proposed creation of three supernumerary posts of one Principal Government Engineer (D3), one Administrative Officer Staff Grade C (D2) and one Chief Engineer (D1) in the Airport Expansion Project Coordination Office (AEPCO), Transport Branch of Transport and Housing Bureau for about two years and four months with immediate effect upon approval of the Finance Committee to 31 March 2018 to head the AEPCO for steering and coordinating the related work in taking forward the Three-Runway System project**

2. The Chairman remarked that the staffing proposal was to create three supernumerary posts, including one Principal Government Engineer (D3), one Administrative Officer Staff Grade C (D2) and one Chief Engineer (D1), in the Airport Expansion Project Coordination Office ("AEPCO") in the Transport Branch of the Transport and Housing Bureau to head the AEPCO for steering and coordinating the related work in taking forward the Three-Runway System ("3RS") project at the Hong Kong International Airport ("HKIA"). She pointed out that discussion of this item was carried over from the last meeting on 4 November 2015.

Duration of the proposed posts

3. Mr Albert CHAN considered that the Administration should clearly explain the expected duration of the three supernumerary posts as he

considered that it was highly probable that the duration of the posts would need further extension after two years and four months in order to tie in with the commissioning of 3RS which was targeted at 2023.

4. Mr CHAN Chi-chuen considered that there was no strong justification to create the proposed posts at this stage as they would have no direct impact on the progress of the 3RS project. He sought details on the expected deliverables of the three posts during the extension period of two years and four months. He also expressed concern that the Administration would increase the establishment of AEPCO further after two years and four months.

5. Permanent Secretary for Transport and Housing (Transport) ("PSTH(T)") said that the three supernumerary posts were proposed to be created till 31 March 2018. During the period, AAHK would be carrying out detailed designs and reclamation works for the 3RS project. It was expected that civil works associated with the project would surge from 2018 onwards following the progressive completion of the reclamation works. He stressed that the Government had been adopting a prudent, step-by-step approach in the creation of new posts and exercising stringency in the deployment of resources in meeting operational needs. It was estimated that the establishment of AEPCO, including the existing non-directorate officers and the three directorate posts, should be just adequate for discharging AEPCO's duties within the coming two years and four months. PSTH(T) reiterated that AEPCO required dedicated support at the directorate level, without which the effectiveness of its work would be undermined. While it might be necessary to retain the three posts in question and/or even increase the establishment of AEPCO in future, the Government would review the overall manpower requirement of the Office closer to 2018 having regard to the progress of the 3RS project, and would submit necessary staffing proposals to the Legislative Council ("LegCo") following the established procedures. PSTH(T) supplemented that both the Government and the Airport Authority Hong Kong ("AAHK") were accountable to the public and LegCo. They would report the progress of the 3RS project to the Subcommittee to Follow Up Issues Relating to the Three-runway System at the Hong Kong International Airport ("LegCo 3RS Subcommittee") and the relevant Panel(s) of LegCo on a regular basis.

#### Duties of the Airport Expansion Project Coordination Office

6. Mr Albert CHAN questioned the need to set up a dedicated office for coordinating the tasks related to the 3RS project as the project was of a much smaller scale compared to the Airport Core Programme implemented in the early 1990s.

7. PSTH(T) explained that the 3RS project was a complex infrastructure project comprising different components and various works projects, including reclamation, construction of a new runway and the Third Runway Concourse, provision of a new Automated People Mover System and a high-speed Baggage Handling System, etc. AEPCO was responsible for coordinating among AAHK and various Government bureaux/departments on these components and works projects.

8. Mr Albert CHAN requested the Administration to provide supplementary information on: (a) the major components/works projects of the 3RS project; (b) the Government bureaux/departments in charge of each component/works project and their respective duties involved; and (c) the total estimated cost of the 3RS project and the estimated cost for each component/works project of the 3RS project. PSTH(T) said that the relevant information had been submitted to LegCo 3RS Subcommittee. The Government would provide the requested information to members.

*[Post-meeting note: The supplementary information submitted by the Administration was circulated to members on 1 December 2015, vide LC Paper No. ESC22/15-16(01).]*

9. Mr CHAN Chi-chuen and Mr LEUNG Kwok-hung expressed concern that the functions of AEPCO which included assisting, monitoring and supporting AAHK's work in implementing the 3RS project might give rise to a role conflict. PSTH(T) did not agree that there was any role conflict in respect of AEPCO's work. While AEPCO would perform an oversight role in the 3RS project, it could also assist and support AAHK's work by providing timely advice to AAHK, and coordinating between AAHK and various Government bureaux/departments in resolving problems or issues encountered.

#### Financial arrangement proposal for the Three-Runway System project

10. Mr CHAN Chi-chuen enquired about the work of the Government and AAHK in fine-tuning the financial arrangement proposal for the 3RS project. PSTH(T) responded that it was the duty of AAHK to prepare, fine-tune and implement the financial arrangement proposal. There were widespread public concerns over the proposed charging level of the Airport Construction Fee ("ACF"), which was a major component of the financial arrangement proposal. The Government had provided advice to AAHK on possible ways to refine the proposal, including adjusting the charging level of ACF. The Government had subsequently reviewed the revised proposal prepared by AAHK to ensure that stakeholders' concerns were properly addressed. PSTH(T) added that the Government had already submitted a LegCo Brief on the revised ACF proposal.

11. Mr Albert CHAN and Mr CHAN Chi-chuen criticized that the present financial arrangement proposal for the 3RS project, which was not subject to approval by LegCo, had circumvented LegCo's monitoring and would undermine the Government's monitoring work over the project. Mr LEUNG Kwok-hung commented that although the 3RS project would be financed by AAHK, the Government would need to bear the financial risks of the project.

12. PSTH(T) pointed out that AAHK was the project proponent and owner of the 3RS project, and hence had the duty to prepare the financial arrangement proposal for the project. That being said, he reiterated that AAHK would be accountable to LegCo in respect of the financial arrangement for the project. He added that the subject matter had been scheduled for discussion by LegCo 3RS Subcommittee in January 2016.

#### Reclamation works for the Three-Runway System project

13. Mr Albert CHAN noted with concern that problems of movement in the reclamation works and use of substandard construction materials were identified in the Hong Kong-Zhuhai-Macao Bridge project. He enquired how the Administration could prevent reoccurrence of such problems in the 3RS project, in particular in respect of the relevant reclamation works.

14. PSTH(T) remarked that it was not uncommon that certain degrees of vertical or horizontal movements in reclamation works would occur during the works periods. As regards the reclamation works of the 3RS project, he believed that the professional team of AAHK would take into account local and overseas experience, and make its best endeavours to ensure effective implementation of the works through the use of advanced and environmental-friendly techniques.

#### Cost-effectiveness of the Three-Runway System project

15. Mr LEUNG Kwok-hung said that Terminal 2 was underutilized and expressed grave concern that the proposed modification of Terminal 2 would lead to enormous waste of resources. He asked if space had been reserved for future development during the planning of Terminal 2, and whether there was negligence on the part of AAHK or the Administration which had resulted in the present planning blunder.

16. PSTH(T) responded that AAHK had explained the issue during various occasions. When the Government and AAHK decided to adopt the 3RS option for the future development of HKIA, Terminal 2 had already been constructed. To ensure cost-effectiveness of the 3RS project, AAHK would

endeavour to preserve existing facilities at HKIA as far as practicable.

17. Mr Albert CHAN sought details on the estimated manpower resources requirements of Government bureaux/departments (e.g. Civil Aviation Department and Transport Department) arising from the commissioning of the 3RS project. PSTH(T) responded that different departments would have different additional manpower requirements at various stages. It would be difficult for the Government to estimate the total recurrent expenditure involved at the current stage. He assured members that the Government would report to LegCo on this issue and submit relevant funding proposals in due course.

Motion on adjournment of discussion of the item

18. At 9:00 am, Mr Albert CHAN commented that the Administration should provide more information to the Subcommittee before members made a decision on the establishment proposal. He then moved a motion to adjourn discussion on item EC(2015-16)8 pursuant to paragraph 32 of the Establishment Subcommittee ("ESC") Procedure.

19. The Chairman said that the Subcommittee would proceed to deal with Mr Albert CHAN's motion. She advised that each member could speak once on the motion for not more than three minutes.

20. Mr Albert CHAN expressed strong disappointment that the Administration had failed to provide a comprehensive picture on the total cost to be borne by various Government bureaux/departments for the 3RS project. Given the numerous uncertainties surrounding the 3RS project, he stressed the need for the Government to provide more information to LegCo to address the various concerns.

21. Mr LEUNG Kwok-hung and Mr CHAN Chi-chuen spoke in support of the motion. They expressed concerns about the financial arrangements for the 3RS project, and the effectiveness of the Administration's monitoring mechanism over the project.

22. Dr CHIANG Lai-wan and Mr IP Kwok-him expressed objection to the motion. They commented that the 3RS project and the establishment proposal were under the scrutiny and monitoring of various parties, including the Panel on Economic Development, LegCo 3RS Subcommittee, as well as a high-level steering committee set up by the Government.

23. At the invitation of the Chairman, PSTH(T) responded to the motion. He said that there was public expectation for the Government to monitor and assist AAHK in the implementation of the 3RS project. He also

stressed that AEPCO should be provided with adequate manpower resources so that it could discharge its duties in an effective manner. AAHK had started implementing the 3RS project, and it was necessary to re-create the three proposed posts as early as possible.

24. The Chairman put the motion to vote. At the request of Mr Albert CHAN, the Chairman ordered a division and the division bell rang for five minutes. Three members voted for and 18 voted against the motion. The Chairman declared that the motion was negated. The votes of individual members were as follows –

*For*

Mr LEUNG Kwok-hung  
Mr CHAN Chi-chuen  
(3 members)

Mr Albert CHAN

*Against*

Mr CHAN Kam-lam  
Mr WONG Kwok-hing  
Mr WONG Kwok-kin  
Mr Alan LEONG  
Mr Steven HO  
Mr LEUNG Che-cheung  
Mr Christopher CHEUNG  
Dr Helena WONG  
Dr CHIANG Lai-wan  
(18 members)

Mr TAM Yiu-chung  
Mr WONG Ting-kwong  
Mr IP Kwok-him  
Mr NG Leung-sing  
Mr YIU Si-wing  
Mr KWOK Wai-keung  
Mr SIN Chung-kai  
Mr POON Siu-ping  
Ir Dr LO Wai-kwok

Motions proposed by a member pursuant to paragraph 31A of the Establishment Subcommittee Procedure

25. At 9:26 am, the Chairman informed members that Mr Albert CHAN had handed in 11 proposed motions pursuant to paragraph 31A of the ESC Procedure to express views on the item EC(2015-16)8. The Chairman ordered that the meeting be suspended for 15 minutes. She said that if other members would like to submit proposed motions, they should hand them in as soon as possible so that the motions could be considered in good time.

26. The meeting was resumed at 9:50 am.

27. The Chairman said that having studied Mr Albert CHAN's proposed motions and consulted the Legal Adviser and the Clerk to ESC, she considered that the 11 proposed motions were, broadly speaking, directly related to the agenda item. It was observed that eight of the 11 motions could be grouped in four pairs, pertinent to the themes of (a) impact of the 3RS project on



Chinese White Dolphins; (b) increase in aviation emissions due to expansion of HKIA; (c) noise pollution problems; and (d) financial arrangement proposal for the 3RS project respectively. The Chairman said that with reference to the usual practice of LegCo committees, she had requested Mr CHAN to consolidate the motions with the same theme into one motion to facilitate handling by the Subcommittee. However, Mr CHAN had refused. Taking into account that the number of proposed motions (i.e. 11 motions) was manageable, the Chairman said that she had decided to put forth all of them to the Subcommittee for deciding whether they should be proceeded forthwith.

28. Mr Albert CHAN and Mr CHAN Chi-chuen opined that the grouping of motions based on common themes involved subjective judgement and was debatable especially when the scope of a theme was extensive and encompassed different issues. They expressed appreciation that the Chairman had adopted a flexible approach in admitting the 11 proposed motions. The Chairman reiterated that it was a usual practice of the chairmen of LegCo committees to request members to consolidate proposed motions for expression of views with common themes so as to facilitate their handling by the committees.

29. At 9:52 am, the Chairman put to vote the question that Mr Albert CHAN's proposed motion numbered 1 be proceeded forthwith. At the invitation of the Chairman, Mr CHAN read out the content of the proposed motion. At the request of Mr CHAN, the Chairman ordered a division and the division bell rang for five minutes. The question was voted down by a majority of members.

30. Mr IP Kwok-him moved, pursuant to paragraph 39A of the ESC Procedure, that in the event of further divisions being claimed in respect of any motions or questions under the item EC(2015-16)8, the duration of the division bell be shortened to one minute. The Chairman said that the Subcommittee would proceed to deal with Mr IP's motion, and each member could speak once for not more than three minutes. Mr LEUNG Kwok-hung, Mr Albert CHAN and Mr CHAN Chi-chuen raised objection to Mr IP's motion. They opined that members should be allowed more time to consider whether each of Mr Albert CHAN's proposed motions should be dealt with by the Subcommittee before the Chairman put the question to vote.

31. The Chairman put Mr IP Kwok-him's motion to vote. At the request of Mr LEUNG Kwok-hung, the Chairman ordered a division and the division bell rang for five minutes. The majority of members voted for the motion. The Chairman declared that the motion was carried.

32. At 10:14 am, the Chairman then put to vote, one by one, the questions that Mr Albert CHAN's proposed motions numbered 2 to 11 be proceeded forthwith. As requested by Mr Albert CHAN, the Chairman ordered a division and the division bell rang for one minute before members' voting on each question. Mr CHAN read out the content of each proposed motion during the one-minute time. All questions were voted down by a majority of members.

Voting on the item

33. After the Subcommittee had finished dealing with the 11 motions proposed to be moved under paragraph 31A of the ESC Procedure, at 10:30 am, the Chairman put the item EC(2015-16)8 to vote. At the request of Mr LEUNG Kwok-hung, the Chairman ordered a division and the division bell rang for one minute. Twenty-three members voted for and five voted against the item. The Chairman declared that the Subcommittee agreed to recommend the item to the Finance Committee for approval. The votes of individual members were as follows –

*For*

Mr CHAN Kam-lam  
Mr WONG Kwok-hing  
Ms Starry LEE  
Mr WONG Kwok-kin  
Mr NG Leung-sing  
Mr YIU Si-wing  
Mr Charles MOK  
Miss Alice MAK  
Mr Martin LIAO  
Mr TANG Ka-piu  
Ir Dr LO Wai-kwok  
Mr Christopher CHUNG  
(23 members)

Mr TAM Yiu-chung  
Mr WONG Ting-kwong  
Mr CHAN Hak-kan  
Mr IP Kwok-him  
Mr Steven HO  
Mr MA Fung-kwok  
Mr LEUNG Che-cheung  
Mr Christopher CHEUNG  
Mr POON Siu-ping  
Dr CHIANG Lai-wan  
Mr CHUNG Kwok-pan

*Against*

Ms Cyd HO  
Mr Albert CHAN  
Dr Fernando CHEUNG  
(5 members)

Mr LEUNG Kwok-hung  
Mr CHAN Chi-chuen

*(At 10:23 am, the Chairman suggested that the meeting be extended for 15 minutes up to 10:45 am. Members agreed.)*

34. There being no other business, the meeting ended at 10:32 am.

Council Business Division 1  
Legislative Council Secretariat  
11 December 2015