

立法會
Legislative Council

LC Paper No. FC217/15-16

(These minutes have been
seen by the Administration)

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Finance Committee of the Legislative Council

**Minutes of the 18th meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 18 December 2015, at 3:00 pm**

Members present:

Hon CHAN Kin-por, BBS, JP (Chairman)
Hon CHAN Kam-lam, SBS, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Hon LEE Cheuk-yan
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon Cyd HO Sau-lan, JP
Hon Starry LEE Wai-king, JP
Dr Hon LAM Tai-fai, SBS, JP
Hon CHAN Hak-kan, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, SBS
Hon IP Kwok-him, GBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP

Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon NG Leung-sing, SBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon Gary FAN Kwok-wai
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon Dennis KWOK
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
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO Cheung-kong, 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
Hon Tony TSE Wai-chuen, BBS

Members absent:

Dr Hon LAU Wong-fat, GBM, GBS, JP
Dr Hon LEUNG Ka-lau

Hon CHEUNG Kwok-che
Hon WONG Yuk-man
Hon James TIEN Pei-chun, GBS, JP

Public officers attending:

Ms Elizabeth TSE Man-ye, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Esther LEUNG, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
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Staff in attendance:

Mr Derek LO	Chief Council Secretary (1)5
Mr Ken WOO	Senior Council Secretary (1)5
Mr Raymond SZETO	Senior Council Secretary (1)7
Mr Jason KONG	Council Secretary (1)4
Mr Frankie WOO	Senior Legislative Assistant (1)3
Miss Yannes HO	Legislative Assistant (1)6

Action

**Item No. 1 – FCR(2015-16)42
RECOMMENDATION OF THE ESTABLISHMENT SUBCOMMITTEE
MADE ON 18 NOVEMBER 2015**

Arrangements for additional meetings

The Chairman advised that members had been consulted on the issue of holding additional meetings. The outcome was that as the majority of members indicated that they could not attend the additional meetings during the period from Christmas to the New Year, no additional meetings could be arranged during that period. On the other hand, the majority of members who replied indicated that they could attend the additional meetings on 30 January

2016, so the Committee would hold four additional meetings totalling eight hours on the day.

2. Ms Emily LAU considered that the meeting time on 30 January 2016 would be too long, as four meetings would be held on the same day. Mr LEE Cheuk-yan and Mr Michael TIEN queried that the Chairman had failed to take into account the schedules of members to enable them to attend the meetings, so they requested the Chairman to consider identifying another day to hold some of the meetings.

3. After hearing the views of members, the Chairman said that he would instruct the Clerk to consult members on the matter again, and if more members opted for holding two additional meetings in the morning on 9 January 2016, the number of meetings on 30 January 2016 would be reduced to two.

[Post-meeting note: The Legislative Council Secretariat consulted members vide LC Paper No. FC57/15-16 on 18 December 2015. As the majority of members who replied indicated that they could not attend the additional meetings on 9 January 2016, the Chairman upheld the decision of holding four additional meetings on 30 January 2016.]

4. The Chairman said that the first item on today's agenda was FCR(2015-16)42, i.e. the Recommendation of the Establishment Subcommittee ("ESC") made on 18 November 2015. As at 5:00 pm yesterday, i.e. 17 December 2015, the Clerk had not received any request for separate voting, therefore no government official would attend today's meeting to answer members' questions. A member asked whether there was any immediate request by members for separate voting on the item in the Finance Committee ("FC") after the item was voted on by ESC. The Clerk confirmed that no member made such a request at the meeting of ESC. The Chairman directed that each member might speak once on the item for not more than five minutes.

5. The Chairman appealed to members that if they wished to more motions on the item without notice under paragraph 37A of the Finance Committee Procedure ("FCP"), they should present them as soon as possible.

Discussion on FCR(2015-16)42

6. Mr Albert CHAN and Mr LEUNG Kwok-hung expressed regret that the request for separate voting had not been made before the deadline yesterday, i.e. by 5:00 pm on 17 December 2015. However, as the Administration had not responded to many queries raised by members in ESC, there was a need to discuss the item in FC.

7. Mr Albert CHAN, Mr CHAN Chi-chuen, Dr KWOK Ka-ki, Mr LEE Cheuk-yan, Ms Emily LAU and Mr LEUNG Kwok-hung criticized that the Three-runway System at the Hong Kong International Airport ("3RS") was the most expensive infrastructure project that had ever been put forward in Hong Kong, with many unresolved issues and dubious economic benefits. Nevertheless, the Administration went ahead to bypass the scrutiny of the Legislative Council and strove for self-financing for the construction of the project via the Airport Authority. The Subcommittee to Follow Up Issues Relating to the Three-runway System at the Hong Kong International Airport formed by the Legislative Council had no substantive power to keep the Administration in check. These members queried that, in enabling the financing of the 3RS through exempting the Airport Authority from the payment of interest charges and allowing it to introduce an Airport Construction Fee, the Administration was in effect asking the public to pay for works projects that were not approved by the Legislative Council. They considered that the approval by FC of the item, i.e. the creation of three directorate supernumerary posts in the Airport Expansion Project Coordination Office ("AEPCO") under the Transport Branch of the Transport and Housing Bureau ("THB") did not mean that the Legislative Council was in support of the construction of 3RS.

8. Mr CHAN Chi-chuen, Dr KWOK Ka-ki, Mr LEE Cheuk-yan and Ms Emily LAU criticized that up to now the Administration had not fully answered members' questions on air traffic congestion in the airspace over the Pearl River Delta Region, in particular the progress of discussions with the Mainland authorities. The situation where the issue of co-location of customs, immigration and quarantine ("CIQ") facilities still remained unresolved while the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") project was about to complete might recur in the case of 3RS in future.

9. Mr Albert CHAN and Mr LEE Cheuk-yan expressed grave concern about the impact of 3RS on the surrounding environment, especially the waters in which the Chinese white dolphins inhabited.

10. Mr Albert CHAN and Dr KWOK Ka-ki criticized that the monitoring over projects by THB had been ineffective in recent years, thus resulting in cost overruns, delays and frequent occurrences of accidents. As such, they opined that THB would be incapable of monitoring the 3RS project as well.

11. Ms Emily LAU requested the Administration to provide a written response to queries raised by members at today's meeting. The Chairman agreed to convey Ms LAU's request to the Administration.

Motion that discussion on agenda item FCR(2015-16)42 be now adjourned

12. At 3:39 pm, Mr LEUNG Kwok-hung moved under paragraph 39 of FCP that discussion on item FCR(2015-16)42 be now adjourned. The Chairman thereupon proposed the question that discussion on item FCR(2015-16)42 be now adjourned. He directed that each member might speak once on the question for not more than three minutes.

13. Mr LEUNG Kwok-hung introduced his motion. Mr LEUNG said that as he opposed the construction of 3RS, he also opposed the item. So far the Administration still had not explained how the problem of air traffic congestion in the airspace could be resolved, and the 3RS would not function as envisaged if this issue remained unresolved. He criticized the Civil Aviation Department for not tackling the issue. He considered that discussion on the item should now be adjourned, so that representatives from the Administration could attend the next meeting to answer questions from members.

14. Ms Claudia MO, Mr Albert CHAN, Dr KWOK Ka-ki, Mr CHAN Chi-chuen, Mr WU Chi-wai, Mr CHAN Ka-lok, Mr Alan LEONG, Mr Fernando CHEUNG, Mr LEUNG Yiu-chung and Ms Emily LAU expressed support for the motion that discussion on agenda item FCR(2015-16)42 be now adjourned. These members criticized the Administration for not respecting the Legislative Council, bypassing its scrutiny and proceeding to expand the airport on its own. It was unreasonable on the part of the Administration to request the Legislative Council to approve the proposed creation of posts when many issues relating to 3RS, such as the problem of air traffic congestion in the airspace, had yet to be resolved, and the Administration had yet to provide a financial feasibility analysis and answer the questions about the proposed posts raised by members. Representatives from the Administration should attend the FC meeting to be held next week to answer queries from members on the item. As such, discussion on the item should now be adjourned by the Committee.

15. Dr CHIANG Lai-wan, Mr YIU Si-wing, Mr CHAN Kam-lam, Ms Starry LEE and Mr WONG Kwok-hing expressed opposition to the motion that discussion on agenda item FCR(2015-16)42 be now adjourned. These members remarked that the capacity of the Hong Kong International Airport was close to saturation, and there was an urgent need to build the 3RS to promote economic development. The Administration had already given a full account of the issues related to the 3RS at the relevant Panels and ESC, and it would also be accountable to the Subcommittee to Follow Up Issues Relating to the Three-runway System at the Hong Kong International Airport. In line with FC's established practice, for proposals approved in ESC, if members did not make any request for separate voting in FC meeting before the relevant deadline, the items would not be discussed in FC and would be put to vote directly. Therefore, FC should vote on this item as soon as possible in this meeting. These members considered that the motion that discussion on an agenda item be now adjourned was being used as a means of "filibustering" to delay the approval of the item, which would hinder the development of Hong Kong.

16. At the invitation of the Chairman, Deputy Secretary for Financial Services and the Treasury (Treasury)¹ responded that the item was an application for extension of the three supernumerary posts approved to be created from 2012 to 2015 during the last term of the Legislative Council. The Government had presented the proposal of extending the supernumerary posts to ESC for discussion during the last legislative session, but as the proposal failed to secure the support of ESC during the last session, the relevant posts lapsed on 31 March 2015 as originally scheduled. The item was presented again to ESC in this legislative session, and was discussed in two meetings. Together with the discussion in the two meetings in the previous session, this item had been discussed in altogether four meetings.

17. Mr LEUNG Kwok-hung spoke on his motion. Thereafter, the Chairman put Mr LEUNG's motion to vote. At the request of members, the Chairman ordered a division and the division bell was rung for five minutes. The Chairman announced that 14 members voted in favour of and 30 members voted against the motion. The votes of individual members were as follows –

For:

Mr LEE Cheuk-yan	Mr James TO Kun-sun
Mr LEUNG Yiu-chung	Ms Emily LAU Wai-hing
Mr Alan LEONG Kah-kit	Mr LEUNG Kwok-hung
Mr Albert CHAN Wai-yip	Ms Claudia MO
Mr WU Chi-wai	Mr CHAN Chi-chuen
Mr Kenneth CHAN Ka-lok	Mr KWOK Ka-ki
Mr Fernando CHEUNG Chiu-hung	Mr SIN Chung-kai

(14 members)

Against:

Mr CHAN Kam-lam	Mr TAM Yiu-chung
Mr CHEUNG Yu-yan	Mr WONG Kwok-hing
Mr Andrew LEUNG Kwan-yuen	Mr WONG Ting-kwong
Ms Starry LEE Wai-king	Mr CHAN Hak-kan
Ms Priscilla LEUNG Mei-fun	Mr WONG Kwok-kin
Mr IP Kwok-him	Mrs Regina IP LAU Suk-yee
Mr NG Leung-sing	Mr HO Chun-yin
Mr Frankie YICK Chi-ming	Mr YIU Si-wing
Mr MA Fung-kwok	Mr CHAN Han-pan
Ms CHAN Yuen-han	Mr LEUNG Che-cheung
Ms Alice MAK Mei-kuen	Mr KWOK Wai-keung
Mr Christopher CHEUNG Wah-fung	Mr POON Siu-ping
Mr TANG Ka-piu	Ms CHIANG Lai-wan
Mr LO Wai-kwok	Mr CHUNG Kwok-pan
Mr Christopher CHUNG Shu-kun	Mr Tony TSE Wai-chuen

(30 members)

18. The Chairman declared that the motion was negatived.

19. The Committee continued with the discussion on item FCR(2015-16)42.

Continued discussion on item FCR(2015-16)42

20. Mr YIU Si-wing said that, in face of fierce competition from the Mainland and Southeast Asia, there was a need for Hong Kong to construct 3RS to expand the airport, which would soon become saturated, in order to support the development of tourism and logistics industry.

21. Mr IP Kwok-him said that there were members of the public who supported the construction of 3RS, and the Central Government also supported Hong Kong's economic development, and hence he disagreed with the reasons put forward by pan-democratic Members in opposing the item. He criticized the pan-democratic Members for engaging in filibustering, and hindering the long-term development of Hong Kong.

22. Ms Claudia MO and Mr Fernando CHEUNG criticized that while 3RS was very controversial and involved very high construction costs, the Administration chose to bypass the Legislative Council and ignore dissenting voices and other needs in society to go ahead with constructing 3RS.

23. Ms Claudia MO was concerned that the construction of 3RS would seriously affect the habitat of Chinese white dolphins in nearby waters. Mr YIU Si-wing stated that after taking the potential impact of 3RS into consideration, the Airport Authority planned to expand the marine park, so as to strive for the conservation of Chinese white dolphins.

24. Mr Alan LEONG said that upon learning a lesson from the fact that the issue of co-location of CIQ facilities was still unresolved even when XRL was now about to be completed, the Administration should resolve the problem of air traffic congestion in the airspace before commencing the construction of 3RS. Yet up to now, the Administration was still unable to provide a satisfactory solution.

25. Mr Fernando CHEUNG queried that it was an inappropriate arrangement to set up the AEPCO under the existing Transport Branch, as this would bring about excessive workload for the Permanent Secretary for Transport and Housing (Transport).

Meeting arrangements

26. After members had spoken, the Chairman reiterated that as no member had put forward a request for separate voting on the item pursuant to the relevant procedural rule before the deadline of 5:00 pm yesterday, the Committee should act in line with FC's established practice by voting on the item as soon as possible. He would deal with the proposed motions on the item presented by members under paragraph 37A of FCP in the next meeting.

27. The Chairman declared that the meeting be adjourned.

28. The meeting was adjourned at 4:58 pm.