

立法會
Legislative Council

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Finance Committee of the Legislative Council

Minutes of the 21st meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 15 January 2016, at 3:21 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 LEUNG Yiu-chung
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, 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
Dr Hon LAM Tai-fai, SBS, JP
Dr Hon LEUNG Ka-lau
Hon CHEUNG Kwok-che
Hon WONG Kwok-kin, SBS
Hon IP Kwok-him, GBS, JP
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip
Hon Claudia MO

Hon Michael TIEN Puk-sun, BBS, JP
Hon James TIEN Pei-chun, GBS, 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 CHAN Chi-chuen
Hon CHAN Han-pan, JP
Dr Hon Kenneth CHAN Ka-lok
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon Dennis KWOK
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon IP Kin-yuen
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO Cheung-kong, SBS, JP
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:

Hon James TO Kun-sun
Dr Hon LAU Wong-fat, GBM, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Starry LEE Wai-king, JP
Hon CHAN Hak-kan, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Alan LEONG Kah-kit, SC
Hon WONG Yuk-man
Hon Charles Peter MOK, JP

Hon CHAN Yuen-han, SBS, JP
Hon Kenneth LEUNG
Hon KWOK Wai-keung
Hon SIN Chung-kai, SBS, JP
Dr Hon Helena WONG Pik-wan
Hon POON Siu-ping, BBS, MH

Public officers attending:

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| Ms Elizabeth TSE Man-yee, 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) |
| Mr YAU Shing-mu, JP | Under Secretary for Transport and Housing |
| Ms Judy CHUNG Sui-kei | Principal Assistant Secretary for Transport and Housing (Transport) 5 |
| Mr Peter LAU Ka-keung, JP | Director of Highways |
| Mr Albert LEE Wai-bun | Project Manager (Hong Kong-Zhuhai-Macao Bridge Hong Kong Project Management Office), Highways Department |
| Mr MA Kuen | Chief Engineer (Hong Kong Boundary Crossing Facilities), Hong Kong-Zhuhai-Macao Bridge Hong Kong Project Management Office, Highways Department |

Clerk in attendance:

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| Ms Anita SIT | Assistant Secretary General 1 |
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Staff in attendance:

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| Ms Connie FUNG | Legal Adviser |
| Mr Stephen LAM | Senior Assistant Legal Adviser 2 |
| Mr Derek LO | Chief Council Secretary (1) ⁵ |

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| Mr Ken WOO | Senior Council Secretary (1)5 |
| Mr Raymond SZETO | Senior Council Secretary (1)7 |
| Mr Keith WONG | Council Secretary (1)5 |
| Mr Frankie WOO | Senior Legislative Assistant (1)3 |
| Miss Yannes HO | Legislative Assistant (1)6 |

Action

Item No. 1 – FCR(2015-16)45

**RECOMMENDATION OF THE PUBLIC WORKS SUBCOMMITTEE
MADE ON 19 DECEMBER 2015**

PWSC(2015-16)14

HEAD 706 – HIGHWAYS

Transport – Roads

**845TH – Hong Kong–Zhuhai–Macao Bridge Hong Kong Boundary
Crossing Facilities – Reclamation and Superstructures**

The Chairman said that the first item on the agenda invited the Finance Committee ("FC") to approve the recommendation of the Public Works Subcommittee made at its meeting held on 19 December 2015, i. e. LC Paper No. PWSC(2015-16)14, that the approved project estimate for 845TH of the Hong Kong-Zhuhai-Macao Bridge ("HZMB") Hong Kong Boundary Crossing Facilities – Reclamation and Superstructures be increased by \$5,461.1 million from \$30,433.9 million to \$35,895 million in money-of-the-day prices. Some members requested separate voting on the recommendation in the relevant FC meeting.

Discussion on FCR(2015-16)45

2. The Chairman said that the item had been discussed for more than eight hours in the Public Works Subcommittee in this legislative session, and the Administration had also provided follow-up papers in response to members' requests. He called on members to make good use of meeting time to ask questions. The Chairman also reminded members that questions raised should be directly related to the content of the agenda papers, and they should refrain from raising questions that the Administration had already provided comprehensive replies in the Public Works Subcommittee or FC, and they should also avoid repeating their own viewpoints or those of other members.

3. Mr CHEUNG Kwok-che noted that the Hong Kong Boundary Crossing Facilities ("HKBCFs") project required most workers to work on an artificial island, but most of the workers did not hold a valid certificate of the Shipboard Cargo Handling Basic Safety Training Course (commonly known as "Blue Card"). He enquired about the number of workers holding the above-mentioned certificate and whether the Administration required that workers working on the HKBCFs artificial island must hold the above-mentioned certificate.

4. Director of Highways ("DHy") advised that contractors of the HKBCFs artificial island reclamation works would require workers who needed to work on board to hold a valid certificate of the Shipboard Cargo Handling Basic Safety Training Course in accordance with the law.

5. Mr CHEUNG Kwok-che was concerned that some of the industrial accidents of the HZMB project involved the Link Road project. He enquired about the details of the project.

6. Under Secretary for Transport and Housing ("USTH") advised that the HZMB Hong Kong Link Road project was another project, which was not directly related to this item.

7. Mr LEE Cheuk-yan queried that the Administration had failed to make an updated estimate of the vehicular flow of HZMB.

8. USTH advised that the Government had repeatedly indicated that the estimate made in 2008 of the daily vehicular flow was 14 000 vehicles during the early period after HZMB's commissioning, whereas the latest estimate was in progress.

9. Mr LEE Cheuk-yan requested the Government to make clear the minimal additional funding required for the HKBCFs project to enable the commissioning of the HZMB.

10. USTH explained that the additional funding being sought as set out in the item was divided into three parts: the first part was for the contingency funds for existing works and for the essential boundary crossing facilities when the bridge was commissioned; the second part was for boundary crossing facilities that were necessary but not essential; and the third part was for facilities under the second phase of works. All these three parts of funding were required for the HKBCF project.

Motion put forward under paragraph 13 of the Finance Committee Procedure ("FCP") to propose that the Chairman is unable to act for the item FCR(2015-16)45

11. Mr Albert CHAN queried that the Chairman had not declared his pecuniary interests, whether direct or indirect, relating to the item in his capacity as the consultant of an insurance company, and he was suspected of having allegedly violated Rule 83A of the Rules of Procedure ("RoP"). He requested to move a motion to propose that the Chairman was unable to chair the meeting.

12. The Chairman clarified that, as an adviser of a reinsurance company, he would not have access to the daily affairs of the company, therefore he had no pecuniary interests, whether direct or indirect, in respect of the item, and was also not required to make any declaration.

13. Mr Albert CHAN and Mr Albert HO requested the Legal Adviser ("LA") to attend the meeting to explain the procedural rules on the declaration of interests by the Chairman and on the moving of a motion to propose that the Chairman was unable to chair a meeting in respect of an item.

14. At 3:40 pm, the Chairman announced the suspension of the meeting for five minutes, so as to wait for the arrival of LA to attend the meeting to clarify the relevant points of order. The meeting resumed at 3:45 pm.

15. In response to members' queries before the suspension of meeting, LA said that, a member might move a motion to propose that the Chairman was unable to act for a particular item under paragraph 13 of FCP. In addition, Rule 83A of RoP stipulated that, in the Council or in any committee or subcommittee, a Member shall not move any motion or amendment relating to a matter in which he has a pecuniary interest, whether direct or indirect, or speak on any such matter, except where he discloses the nature of that interest. The relevant rule did not prohibit the Committee Chairman from chairing a meeting under the circumstances that he had a pecuniary interest, whether direct or indirect, in a subject matter under discussion at the meeting.

16. Mr Albert CHAN moved under paragraph 13 of FCP that the Committee decided that the Chairman, Mr CHAN Kin-por, was unable to chair the meeting for discussion on item FCR(2015-16)45. The Chairman directed that the Deputy Chairman, Mr CHAN Kam-lam, would chair the meeting for the discussion of the motion.

17. In response to an inquiry from Mr LEE Cheuk-yan, the Chairman said that he was an adviser of a reinsurance company with remuneration.

18. The Deputy Chairman proposed the question. The Deputy Chairman directed that a member, when speaking on the question, might speak once for not more than three minutes. After that, the Chairman, Mr CHAN Kin-por, would respond, and Mr Albert CHAN would then reply for not more than one minute, thereafter the Deputy Chairman would put the motion to vote.

19. Mr Albert CHAN introduced his motion. Mr CHAN queried that, even though RoP and FCP did not prohibit a Member from chairing a committee meeting for a matter in which he had a pecuniary interest, whether direct or indirect, the Chairman still declared in detail that he was a director of a reinsurance company in the FC meeting in 2010 when FC was deliberating on the funding proposal for the project to construct the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, but this time he did not declare his interests as a paid consultant of a reinsurance company. He had reasons to believe that the Chairman, Mr CHAN Kin-por, as a paid adviser of a reinsurance company, had pecuniary interests relating to the agenda item under deliberation, and it would affect the fairness of the Committee's proceedings if the Chairman continued to chair the meeting for the item. Hence, he moved the motion.

20. Mr LEUNG Kwok-hung, Ms Claudia MO, Mr Gary FAN, Mr LEE Cheuk-yan, Ms Cyd HO, Dr KWOK Ka-ki, Mr WU Chi-wai, Mr LEUNG Yiu-chung, Mr Frederick FUNG, Mr Albert HO, Dr Fernando CHEUNG, Mr CHAN Chi-chuen, Ms Emily LAU and Dr Kenneth CHAN expressed support for Mr Albert CHAN's motion. Some members considered that although the Chairman had retired from being a director of the reinsurance company, he should still declare his pecuniary interests as a remunerated adviser of the reinsurance company, otherwise he might have contravened the requirement of Rule 83A of the RoP. Some other members considered that, even if the Chairman had not contravened the Rule, but as the Chairman of FC, he should comply with a higher declaration standard. These members also queried that the Chairman was partial to the Administration in chairing the meeting and had failed to act fairly. With doubts lingering, the Chairman should not chair the meeting for the item in order to dispel doubts. Among them, Mr Gary FAN said that the "Munich Reinsurance Company", in which the Chairman took up the post of a paid adviser, had been awarded certain contracts in the HZMB project, and therefore the Chairman had pecuniary interests.

21. Mr IP Kwok-him, Dr CHIANG Lai-wan, Ms Alice MAK, Mr Christopher CHEUNG, Mr TAM Yiu-chung, Mr WONG Kwok-kin, Mr YIU Si-wing, Mr WONG Ting-kwong and Mr Martin LIAO spoke against Mr Albert CHAN's motion. These members opined that as the Chairman had complied with RoP with regard to the requirements of declaration of personal interests, and stated clearly that he had no direct or indirect pecuniary interests in respect of the item, the Committee should respect and trust the Chairman's judgment of whether he himself had a pecuniary interest or not. At present, Rule 83A of RoP did not stipulate whether or not the Chairman could chair a meeting for a matter that he had a pecuniary interest. Some members queried that certain members who supported the motion was tight-lipped about their own alleged acceptance of benefits, and hence they should be suspected of adopting double standards. These members expressed support that the Chairman should continue to chair the meeting for the item.

22. Dr CHIANG Lai-wan remarked that the Chairman might consider not chairing the meeting for the item, but she would respect any decision made by him.

23. In order to let members know clearly the relevant stipulation on declaration of personal interests, the Deputy Chairman referred to the provision as set out in Rule 83A of RoP.

24. In responding to Mr Albert CHAN's motion, the Chairman criticized some members for using the issue of his interests to raise points of order for the purpose of "filibustering". The Chairman reiterated that, having sought legal advice, he considered that he, as a remunerated adviser, had no pecuniary interests, whether direct or indirect, in respect of the item, and hence he was not required to make, and also had not omitted making, any declaration. If members suspected he had omitted making any interest declaration, they might lodge a complaint with the Committee on Members' Interests.

25. When the Chairman was responding, Mr Albert CHAN raised a point of order. He queried that the Chairman's response implied that he had an improper motive. The Deputy Chairman ruled that the Chairman's statement did not imply that another member had any improper motive. Mr Albert CHAN did not agree with his ruling and spoke loudly without permission. The Deputy Chairman warned Mr Albert CHAN that he could not speak without permission.

26. Mr Albert CHAN replied in respect of his motion. Mr CHAN reiterated that he considered the Chairman, as a paid adviser of a large multi-national reinsurance company, had pecuniary interests in connection with the item.

27. The Deputy Chairman put the motion to vote. At the request of members, the Deputy Chairman ordered a division and the division bell was rung for five minutes.

28. When the division bell was ringing, Mr LEUNG Kwok-hung spoke loudly without permission. The Deputy Chairman warned Mr LEUNG Kwok-hung that he should not speak without permission.

29. The Deputy Chairman announced that 16 members voted in favour of and 23 members voted against the question. The votes of individual members were as follows –

For:

Mr Albert HO Chun-yan
Mr LEUNG Yiu-chung
Mr Frederick FUNG Kin-kee
Ms Cyd HO Sau-lan
Mr Albert CHAN Wai-yip
Mr WU Chi-wai
Mr CHAN Chi-chuen
Dr KWOK Ka-ki
(16 members)

Mr LEE Cheuk-yan
Ms Emily LAU Wai-hing
Prof Joseph LEE Kok-long
Mr LEUNG Kwok-hung
Ms Claudia MO
Mr Gary FAN Kwok-wai
Dr Kenneth CHAN Ka-lok
Dr Fernando CHEUNG Chiu-hung

Against:

Mr TAM Yiu-chung
Mr WONG Kwok-hing
Mr WONG Ting-kwong
Mr IP Kwok-him
Mr HO Chun-yin
Mr YIU Si-wing
Mr CHAN Han-pan
Ms Alice MAK Mei-kuen
Dr Elizabeth QUAT
Mr TANG Ka-piu
Mr CHUNG Kwok-pan
Mr Tony TSE Wai-chuen
(23 members)

Mr Abraham SHEK Lai-him
Mr Andrew LEUNG Kwan-yuen
Mr WONG Kwok-kin
Mr NG Leung-sing
Mr Frankie YICK Chi-ming
Mr MA Fung-kwok
Mr LEUNG Che-cheung
Mr Christopher CHEUNG Wah-fung
Mr Martin LIAO Cheung-kong
Ir Dr LO Wai-kwok
Mr Christopher CHUNG Shu-kun

30. The Deputy Chairman declared that the motion was negatived.

31. Mr IP Kwok-him remarked that he opposed the motion.

32. The Chairman continued to chair the meeting.

Continued discussion on item FCR(2015-16)45

33. Mr Albert CHAN spoke loudly without permission. The Chairman warned Mr Albert CHAN that he should not speak without permission.

34. Mr Albert HO noted that the second phase of works of the Project had to proceed in coordination with the expansion of the Airport Island, thus the works might commence at a later stage. He asked about the proportion of the related expenditure in the additional funding, and whether the Administration would consider deferring the application for additional funding for this part until the coordination with the expansion of airport was completed.

35. DHy remarked that the second phase of works needed additional funding of \$1,940 million, which included the funding required for the optimization of the operation of the boundary crossing and for building the facilities as well as the access roads connecting the Airport Island and HKBCF, which were required for dovetailing with the additional clearance requirements. It was expected that the coordination work would complete in the second half of 2017 and by then tenders would be invited for the project of the access roads connecting the Airport Island and HKBCF. The designs of the access roads were largely confirmed by now, with only some adjustments that might have to be made to their alignment.

36. Ms Claudia MO queried that the construction of HZMB echoed the Administration's development blueprint for Lantau Island. She was worried that the Lantau Island would be developed at the expense of the green areas in the district.

37. USTH remarked that HZMB was a cross-border transport infrastructure project, which could strengthen Hong Kong's ties with the western part of the Pearl River Delta, bring about great benefits to the economy of Hong Kong, and in turn benefit the economic development of the Lantau Island.

38. At 5:16 pm, the Chairman declared that the meeting be adjourned.
39. The meeting was adjourned at 5:16 pm.

Legislative Council Secretariat
20 May 2016