

**立法會**  
***Legislative Council***

LC Paper No. FC222/15-16

(These minutes have been  
seen by the Administration)

Ref : FC/1/1(14)

**Finance Committee of the Legislative Council**

**Minutes of the 23<sup>rd</sup> meeting**  
**held at Conference Room 1 of the Legislative Council Complex**  
**on Friday, 22 January 2016, 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  
Hon CHAN Hak-kan, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Dr Hon LEUNG Ka-lau  
Hon CHEUNG Kwok-che  
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 WONG Yuk-man  
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  
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  
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 LAM Tai-fai, SBS, JP

Hon James TIEN Pei-chun, GBS, JP  
Hon Alice MAK Mei-kuen, BBS, JP  
Dr Hon Helena WONG Pik-wan

**Public officers attending:**

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 Rebecca PUN Ting-ting, JP	Deputy Secretary for Transport and Housing (Transport) 1
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:**

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 Keith WONG	Council Secretary (1)5

Mr Frankie WOO  
Ms Michelle NIEN

Senior Legislative Assistant (1)3  
Legislative Assistant (1)5

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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 ("PWSC") 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, Hong Kong-Zhuhai-Macao Bridge 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 a FC meeting.

2. The Chairman remarked that in this legislative session, the item had been discussed for more than eight hours in PWSC and had also been deliberated for more than six hours in FC. He called on members to make good use of meeting time to ask questions on the item as soon as possible. He also reminded members not to repeat questions that had been fully answered by the Administration in PWSC or FC.

Matters in relation to declaration of interest by the Chairman

3. Mr Albert CHAN asked the Chairman whether he refused to make interest declaration. The Chairman clarified that if he had related interest, he would of course declare such interest. But he had reiterated many times before that he had no pecuniary interest, whether direct or indirect, relating to the item, nor had he refused to make interest declaration.

4. Mr Albert CHAN spoke without permission to express dissatisfaction with the Chairman's declaration of interest. The Chairman ordered Mr CHAN to stop speaking, and reiterated that he had no direct or indirect pecuniary interest relating to this item.

5. Mr Jeffrey LAM spoke in support of the Chairman in maintaining the order of the meeting.

Work safety of sea-based works

6. Mr WONG Yuk-man criticized the Administration for forcing the Committee to approve the item, and called on members opposing it to prevent the item from being put to vote.

7. Being concerned with the issue of work safety of sea-based construction works, Mr CHEUNG Kwok-che queried whether there were cases of workers not holding a valid certificate of the Shipboard Cargo Handling Basic Safety Training Course being required to work on the sea-based sites of the Project.

8. Director of Highways ("DHy") said that it was required by law that all personnel participating in projects on board a ship must hold a certificate of the Shipboard Cargo Handling Basic Safety Training Course. In addition, the part of sea-based works of the project concerned had largely been completed.

9. Mr CHEUNG Kwok-che referred to a sea-based industrial accident that happened on 18 October 2014 as mentioned in the Administration's reply (LC Paper No. FC92/15-16(02)) to Mr Fernando CHEUNG, and queried that the Administration had yet to complete the investigation one year after the occurrence of the accident, and pointed out that the family still could not receive the compensation as a result.

10. DHy remarked that the Administration had provided information on industrial accidents related to the Hong Kong Boundary Crossing Facilities ("HKBCF") project of the Hong Kong-Zhuhai-Macao Bridge ("HZMB") to FC, and the case mentioned by Mr CHEUNG was not related to this item.

Estimates of vehicular flow of HZMB and its cost-effectiveness

11. Dr KWOK Ka-ki and Mr Albert CHAN said that the expenditure on works projects of HZMB had already exceeded \$100 billion, and they queried that the actual vehicular flow and related income would be far less than the original estimates made when the HZMB Project was first established, and such income may not be enough to pay off the operating costs and interest expenses on financing the HZMB Project, thus Hong Kong would eventually need to inject more public money into the HZMB Project. Mr Gary FAN raised a similar query.

12. Mr Kenneth LEUNG asked whether the additional funding being sought would affect the internal rate of return and the weighted average cost of capital of HZMB.

13. Under Secretary for Transport and Housing ("USTH") advised that he had repeatedly explained in FC meetings that the issues on the financing of HZMB, the interests and the rate of return were not related to the item under deliberation i.e. the HKBCF project. The HKBCF project, constructed and funded wholly by Hong Kong side, would not bring about any income; therefore there was no rate of return at all. Nevertheless, he stressed that the commissioning of HZMB could reduce the travel time between Hong Kong and cities in the Pearl River Delta and would bring about economic benefits to the community as a whole.

14. Mr James TO and Mr Alan LEONG opined that the estimates on the vehicular flow of HZMB made in 2008 by the Administration were outdated, and they requested the Administration to provide the Legislative Council with the latest estimates on the vehicular flow of HZMB as soon as possible and should not conceal any details. In response, USTH advised that the latest update on the estimates was already in progress, and the latest estimates were not available at the moment.

15. Dr KWOK Ka-ki, Mr Kenneth LEUNG and Mr Gary FAN expressed dissatisfaction with the Administration for its failure to respond to members' questions about the vehicular flow and the rate of return of HZMB. These members queried that the Administration divided the HZMB Project into several projects, in order to avoid monitoring by the Legislative Council. During the deliberation of the additional funding proposal for HKBCF of HZMB, a holistic approach should be adopted in examining the operation and benefits (including social benefits) of HZMB, so as to ensure that public money was properly spent.

16. Mr Alan LEONG and Mr Kenneth LEUNG referred to the paper issued earlier by the Administration as a reply to Legislative Council members, which indicated that the estimate on the daily vehicular flow of HZMB might have already been lowered to 9 200 vehicles. These members requested the Administration to clarify the estimated vehicular flow of HZMB.

17. USTH remarked that the estimate of the daily vehicular flow made in 2008 was between 9 200 and 14 000 vehicles, and he reiterated that the Administration was in the process of updating the relevant estimates on vehicular flow, and the latest estimates were not available yet.

18. Mr James TO inquired whether the estimated vehicular flow would affect the size of those absolutely essential facilities at HKBCF.

19. USTH said that those absolutely essential facilities were essential facilities for the commissioning of HZMB, and were not directly related to the vehicular flow of HZMB.

20. Mr Kenneth LEUNG asked whether the Administration had commissioned any independent consultants to make vehicular flow estimates. In response, USTH advised that the estimates were made by an independent consultant commissioned by the HZMB Authority.

#### Cost overruns and delays

21. Mr WONG Yuk-man queried that the Administration had been ineffective in exercising its supervision, thus leading to cost overruns and delays of the HZMB Project.

22. Mr WU Chi-wai asked about the details of the claims made by contractors against the Administration in relation to project delays.

23. USTH advised that cost overruns and delays of the project concerned were caused by objective factors (such as aviation height restrictions and shortage of labour). The Administration had not identified any faults on the part of government officials responsible for overseeing the works. Details of the reasons for the delays and cost overruns, as well as cost breakdown (including claims for compensation) were set out in the agenda papers.

#### Excision of not absolutely essential facilities

24. Mr Gary FAN noted that if the funding proposal was not approved, the outbound and inbound private car annexures would be excised. He inquired about the factors to be considered by the Administration in deciding to excise the facilities.

25. DHy remarked that the facilities in question were proposed to offer passengers a new option, which would serve to provide a separate clearance for cross-boundary passengers, who had to alight from the cars, and drivers of private cars at HKBCF. If the above-mentioned facilities were to be excised, passengers could still use the usual arrangement under which they would pass through the same cross-boundary checkpoint with the private cars. As such, the facilities were categorized as not absolutely essential facilities by the Administration.

Cross-boundary transport policy

26. Mr Alan LEONG expressed concern for the cross-boundary transport arrangements upon the commissioning of HZMB. He requested the Administration to explain whether it would change the cross-boundary transport policy to increase cross-boundary vehicular flow. Mr Gary FAN expressed a similar concern and requested the Administration to clarify whether the insufficient vehicular flow would make the Administration introduce anew the Self-drive Tour Scheme which was currently shelved.

27. USTH advised that the Administration would give a clear account of the cross-boundary transport policy to the Panel on Transport.

Motion that further proceedings of the Committee be now adjourned

28. At 4:06 pm, Mr Gary FAN moved that further proceedings of the Committee be then adjourned under paragraph 39 of the Finance Committee Procedure. The Chairman thereupon proposed the question that further proceedings of the Committee be then adjourned. The Chairman directed that a member, when speaking on the motion, might speak once for not more than three minutes.

29. Mr Gary FAN introduced his motion. Mr FAN considered that the Chairman, as the consultant of a reinsurance company, might have a conflict of interest and "potential pecuniary interest" in relation to the Project. He also criticized the Chairman for his acts, such as stating publicly before the meeting that he would be "curtailing the filibuster", setting a "dual-track" system for deliberating items (i.e. conducting the deliberation on controversial and non-controversial items in different meetings), and intending to work in coordination with the Administration by setting a timetable for voting on the items etc., as all these were not in line with the independent stance that the FC Chairman should have adopted. Moreover, the Administration had not responded to members' questions raised in connection with cost overruns and the vehicular flow of HZMB; thus, before all the issues were clarified by the Administration, the Committee should suspend the deliberation of the item.

30. In regard to Mr Gary FAN's queries, the Chairman clarified that he did not have any direct or indirect pecuniary interest in relation to the Project. The Rules of Procedure also did not have any provisions on "potential pecuniary interest" as suggested by Mr FAN. Regarding Mr FAN's doubt raised in connection with the proposed "dual-track" system, the Chairman said that, being the Chairman of FC, and considering the slow progress of the Committee's deliberation on agenda items, he had the responsibility to make

some suggestions to the Administration so as to expedite the processing of items related to people's livelihood.

31. Mr Alan LEONG, Mr WU Chi-wai, Dr KWOK Ka-ki, Mr Kenneth LEUNG, Ms Claudia MO, Dr Fernando CHEUNG, Mr Albert HO, Mr LEUNG Kwok-hung, Mr WONG Yuk-man, Mr LEE Cheuk-yan, Mr LEUNG Yiu-chung, Mr CHAN Chi-chuen, Ms Cyd HO and Mr Albert CHAN spoke in support of the motion of Mr Gary FAN. These members queried that the expenditure on the works projects of HZMB had already exceeded \$110 billion of public money, but the Administration was still unable to provide the latest estimates of the vehicular flow to illustrate the economic benefits and rate of return of HZMB. The Government of Hong Kong might have to inject more money in future in order to maintain HZMB's operation, and it would be a waste of public money. Besides, even if additional funding was not approved, the funds reserved by the Administration should still be enough for financing the commissioning of HZMB, and so there was no need to apply for the funding. These members also expressed dissatisfaction at the Administration for refusing time and again to answer the questions raised by members in connection with HZMB, using the pretext that the HZMB Project was not directly related to the item.

32. When Mr LEUNG Kwok-hung was speaking, the Chairman asked Mr LEUNG to stop using offensive language. Mr LEUNG expressed strong dissatisfaction with the Chairman's request, saying that the Chairman had also criticized individual members outside the Council by saying that they were "drug addicts". The Chairman responded that his remarks were not made inside the Council, and were used only to describe those members who habitually obstruct the proceedings of the Committee by means of "filibustering".

33. Mr CHAN Chi-chuen and Mr Albert CHAN expressed strong dissatisfaction with the Chairman's remarks outside the Council. These members opined that the Chairman should first clarify the legal and procedural basis and consult members before putting forward the "dual-track" system. The Chairman stressed that he had the responsibility to make suggestions to enable the Committee to process agenda items in a more efficient manner.

34. Mr LEE Cheuk-yan and Mr LEUNG Yiu-chung called on the Chairman to exercise his power to re-arrange the order of agenda items, so that FC could deliberate on the non-controversial items related to people's livelihood first. The Chairman responded that although the Chairman of FC was empowered to make decisions in relation to agendas, he would respect the

established practice of allowing the Administration to arrange the order of agenda items.

35. Mr Albert CHAN queried that as the Chairman was a paid consultant of a reinsurance company, he might have a conflict of interest in relation to the Project, and for this reason, it was inappropriate for him to chair the meeting.

36. Ms Claudia MO considered it inappropriate for the Chairman to debate with members.

37. Mr CHAN Han-pan and Mr WONG Kwok-hing spoke against the motion of Mr Gary FAN. These members criticized the pan-democratic members for using various "filibustering" tactics to obstruct the Administration's implementation of policies.

38. At 5:00 pm, the Chairman declared that the meeting be adjourned.

39. The meeting was adjourned at 5:00 pm.

Legislative Council Secretariat  
20 May 2016