

**立法會**  
***Legislative Council***

LC Paper No. FC249/15-16

(These minutes have been  
seen by the Administration)

Ref : FC/1/1(16)

**Finance Committee of the Legislative Council**

**Minutes of the 27<sup>th</sup> meeting  
held at Conference Room 1 of the Legislative Council Complex  
on Saturday, 30 January 2016, at 9 am**

**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 Vincent FANG Kang, SBS, JP  
Hon WONG Kwok-hing, BBS, MH  
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN  
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  
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 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 Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Hon CHAN Yuen-han, SBS, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Alice MAK Mei-kuen, BBS, JP  
Dr Hon KWOK Ka-ki  
Hon KWOK Wai-keung  
Hon Christopher CHEUNG Wah-fung, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Hon SIN Chung-kai, SBS, JP  
Hon IP Kin-yuen  
Hon Martin LIAO Cheung-kong, SBS, JP  
Hon POON Siu-ping, BBS, MH  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP  
Hon Tony TSE Wai-chuen, BBS

**Members absent:**

Dr Hon LAU Wong-fat, GBM, GBS, JP  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Dr Hon LAM Tai-fai, SBS, JP  
Dr Hon LEUNG Ka-lau  
Hon CHEUNG Kwok-che  
Hon WONG Yuk-man  
Hon CHAN Han-pan, JP  
Dr Hon Kenneth CHAN Ka-lok  
Hon Kenneth LEUNG  
Hon Dennis KWOK

Dr Hon Helena WONG Pik-wan  
Dr Hon Elizabeth QUAT, JP  
Hon TANG Ka-piu, JP  
Dr Hon CHIANG Lai-wan, JP  
Hon CHUNG Kwok-pan

**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  
Mr Keith WONG  
Mr Frankie WOO  
Ms Michelle NIEN

Senior Council Secretary (1)7  
Council Secretary (1)5  
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 advised 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. PWSC(2015-16)14, that the approved project estimate for 845TH of the Hong Kong-Zhuhai-Macao Bridge ("HZMB") Hong Kong Boundary Crossing Facilities ("HKBCFs") – Reclamation and Superstructures 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 at the FC meeting.

2. The Chairman said that up to that point of the meeting, deliberation of the item by both PWSC and FC had taken 22 hours, and over 287 questions had been raised by members on the item with some individual members speaking for more than 15 times and some members making repetitive speeches or digressing from the subject. Besides, the Committee should reserve some time for dealing with motions proposed by members under paragraph 37A of the Finance Committee Procedure ("FCP") ("37A motions"). The Administration had advised that the public coffer would suffer substantial losses if the item could not be voted on within this month. In his view, the Chairman had a responsibility to ensure sufficient time for members to hold the Government accountable and to safeguard the effective operation of the Committee and the proper use of public money. Hence, he believed it was time for the Committee to move on to the final stage of the discussion on the item.

3. The Chairman further advised that he noted that there were a number of reports about the HZMB project recently, and since members might wish to inquire with the Administration about such reports, he decided to allow members two hours to ask questions for the last time before moving on to the 37A motions. The Chairman further advised that the Administration would first be given 10 minutes to respond to the reports and members' concerns, and then members would be allowed to speak thrice for not more than three minutes, two minutes and one minute respectively before the discussion session came to an end.

4. Mr Gary FAN, Ms Claudia MO and Mr LEE Cheuk-yan expressed opposition to the Chairman's decision and requested the Chairman to expound on his justifications. Mr FAN criticized that the Chairman's decision to end the discussion session had led to confrontations between some members and security staff during the meeting on the previous day, and he expressed solicitude for the injured security staff and Mr CHAN Chi-chuen. Mr Albert CHAN queried strongly that the Chairman's decision was inconsistent with the one he made at the meeting held on the previous day.

5. Ms Claudia MO, Mr Charles MOK, Mr WU Chi-wai, Mr LEUNG Yiu-chung, Dr Fernando CHEUNG and Mr CHAN Chi-chuen expressed opposition to the Chairman's decision to end the discussion session after allowing members to speak thrice, and they considered that the arrangement would deprive members of their rights to monitor the Government's performance.

6. The Chairman responded that he believed the public coffers would suffer substantial losses if the item could not be voted on by the Committee in time, and that members already had sufficient time to raise questions on the item while some of them had made it clear that they would stage a filibuster on the item. Upon taking into account the said factors, he considered it necessary to limit the discussion time. After receiving members' views raised at the meeting on the previous day, he decided to allow some more time for members to raise questions at the day's meeting (before concluding the meeting on the previous day, he had directed that members could each have two minutes to raise questions on the item for the last time). He also appealed to members to refrain from resorting to filibustering to block the voting on the item.

7. Mr YIU Si-wing remarked that it was appropriate for the Chairman to end the discussion session after the item had been discussed on for several dozens of hours, so as to facilitate effective operation of FC.

8. Dr KWOK Ka-ki queried that the Chairman might have pecuniary interest in the item and was thus not suitable to chair the meeting.

9. The Chairman said that he had reiterated for many times that he had no direct or indirect pecuniary interest in that item.

Discussion on FCR(2015-16)45

*Consolidated reply from the Administration regarding the media reports of the HZMB Boundary Crossing Facilities project*

10. At the invitation of the Chairman, Under Secretary for Transport and Housing ("USTH") and Director of Highways ("DHy") said that the Administration noted a number of recent press reports about the construction of the HZMB Boundary Crossing Facilities project and the Government would respond to the concerns one by one.

11. Regarding the concerns about the impact of the project on the water quality surrounding the boundary control point, DHy advised that the Highways Department ("HyD") had established multiple environmental monitoring and auditing systems within the project area, so as to ensure that the impact of the project on the environment could be controlled within acceptable limits. To begin with, HyD would engage a resident engineer to supervise the contractor. Then, in light of the requirements of the Environmental Permit, the contractor would also need to engage an Independent Environmental Team ("IET") to set up environment monitoring stations to monitor the environment and analyze the data concerned. In addition, HyD would separately engage an Independent Environmental Checker ("IEC") to review IET's work in monitoring the environment and their reports. As revealed by the findings of IEC, there was no substantial difference in the water quality before and after the commencement of the construction works. In case IET found that the monitoring data exceeded the limit level, the contractor had to take follow-up actions immediately and submit a report, which would be uploaded to the relevant websites for public's information. As at the end of last year, IET had conducted more than 800 000 water quality tests and conducted investigation into each incident of monitoring data exceeding the limit level. In this connection, IET had confirmed that two occasions of monitoring data exceeding the limit level were caused by the construction processes and the contractor had taken immediate improvement measures. Besides, the Administration had in place a penalty mechanism under which a contractor might be fined for non-compliance based on the IET report, or such non-compliance would be reflected in the quarterly performance reports, thereby reducing the contractor's chance of success in bidding for Government projects in the future.

12. Regarding the concerns over the impact of the HZMB project on the ecology of the Chinese White Dolphins ("CWDs"), DHy remarked that the IET of the Administration had set standards for monitoring CWDs. Since the commencement of the construction works, while IET had found that water quality data of monitoring stations at North Lantau Island exceeded the limit level in seven quarters, IET's dolphin experts were of the opinion that the contractor had strictly implemented the relief measures proposed in the Environmental Impact Assessment Report and the Environmental Permit; in view of such and the fact that no substantial difference was found in the water quality before and after the commencement of the construction works, IET's dolphin experts considered that the decrease in the number of white dolphins was not directly related to the construction works. Furthermore, according to the data of the Agriculture, Fisheries and Conservation Department, while the number of appearance of CWDs in the western waters of Hong Kong had shown signs of constant decline since 2003, it became steadier in recent years.

13. With regard to the press coverage of the works of HZMB being suspended for as long as 439 days due to accidents, DHy advised that the Administration had discovered upon thorough examination that some parts were outside the scope of the item (i.e. the construction works of HKBCFs). Furthermore, as works suspended due to accidents only involved individual work procedures and would not necessarily affect the whole project, the number of days of suspension of individual work procedures was not directly related to the progress of the project.

14. As regards the reports concerning the defects identified in precast units, DHy remarked that the Administration understood that such precast units were those precast concrete wall segments adjacent to the culverts under the roads connecting the HKBCFs Island and the Hong Kong International Airport. Resident engineering site staff had identified defects on the precast units that were delivered to the site upon examination, and had required the contractor to restore the units at its own cost. In addition, regarding the reports concerning the construction safety issues of project subcontractors, the Administration noted that only three fatal industrial accidents were related to the HKBCFs project. The Administration attached great importance to site safety and a mechanism had been put in place to supervise the principal contractor's safety measures arranged for the whole site, as well as those of the subcontractor. The principal contractor would be held responsible if the subcontractor provided insufficient safety measures. The Administration might impose a fine on the contractor and reflect the situations concerned in the quarterly performance reports of the principal contractor, which would reduce the contractor's chance of success in bidding for Government projects in the future.

15. When the public officer was speaking, some members spoke loudly without permission. The Chairman indicated to the public officer to continue speaking and ignore the disruption caused by the "bad guys". Ms Claudia MO spoke to express her dissatisfaction with the wording used by the Chairman, and the Chairman immediately withdrew such wording upon Ms MO's request and stressed that the wording concerned was not targeted at any individual member.

*Site safety and industrial accidents*

16. Mr LEE Cheuk-yan, Ms Emily LAU, Mr LEUNG Yiu-chung, Dr KWOK Ka-ki, Ms Cyd HO and Mr Albert HO criticized that the mechanism put in place by the Administration for monitoring safety at sites was insufficient and had failed to constrain the subcontractor from ignoring safety and thereby causing casualties. They urged the Administration to conduct a review in this respect.

17. USTH and DHy advised that the Administration attached great importance to the safety of construction works of all infrastructure projects, and that public works projects would be launched in compliance with the safety standards set by the Development Bureau ("DevB"), while the Administration would remain continuously committed to implementing the mechanism for monitoring safety. DHy stressed that resident engineering site staff would conduct weekly inspection on the safety measures on-site, including the site areas under the charge of subcontractors. Immediate rectification would be sought if non-compliance of safety requirements was identified. In addition, as far as this item was concerned, the Administration had also made an additional requirement that the contractor should further engage an independent safety auditor recognized by the Occupational Safety and Health Council to perform regular auditing on the safety measures of the construction sites, so as to ensure that the safety systems of the contractor were in compliance with the safety standards.

18. Ms Emily LAU enquired whether the Administration had punished the contractors involved in the industrial accidents of HZMB, including the principal contractor China Harbour Engineering Company Limited. Sharing a similar concern, Dr Fernando CHEUNG pointed out that China Harbour Engineering Company Limited, the principal contractor of the project, had been prosecuted for site safety problems in this and other projects, and some of the staff members had even been prosecuted for alleged bribery.



19. DHy advised that the Labour Department ("LD") had instituted prosecution against the principal contractor for one site safety-related accident of the project, and a fine had been imposed by the Court. The contractor had also been suspended twice from bidding for the relevant categories of work, details of which were set out in LC Paper No. FC96/15-16(01).

20. Mr Albert HO and Mr James TO enquired about the mechanism for handling fatal industrial accidents.

21. DHy said that according to the established mechanism, if prosecution was proved necessary upon investigations by LD and the Marine Department, the case would be handed over to the Coroner's Court for trial. DevB also had in place a mechanism for conducting hearings and considering the appropriate punishments.

22. Regarding Mr LEUNG Yiu-chung's concern over the mechanism for preventing accidents, DHy pointed out that before the commencement of the construction work procedures, the safety plan concerned had to be approved by the resident engineer to ensure its compliance with the relevant safety requirements. Moreover, the contractor was also required to engage a safety supervisor to ensure conformity of the actual work conditions with the approved work procedures.

23. Mr YIU Si-wing proposed that the Administration might adopt a demerit point system, so as to curb any non-compliance of the contractor with the site safety requirements before any accidents took place.

24. DHy remarked that according to the existing mechanism, any industrial accident caused by the contractor's insufficient safety measures would be reflected in the quarterly reports. These reports would be kept in the database of DevB and would affect the contractor's chance of success in bidding for Government projects in the future.

25. Mr Albert CHAN criticized that the Administration intentionally avoided the causal relationship between industrial accidents and the delay in HKBCFs project.

26. Mr CHAN Chi-chuen and Mr LEUNG Kwok-hung queried that if the actual number of days of works suspended due to industrial accidents was less than the 439 days as reported by the media, it would be tantamount to the Administration permitting the contractor to continue with the construction works before settling the work injury issues properly.

27. USTH advised that if accidents took place, the Administration would certainly require the contractor to immediately suspend the relevant work procedures and conduct thorough investigations. However, as suspension of individual work procedures had little impact on the overall progress of the project, the statement that individual work procedures had been suspended for 439 days did not mean that the whole project had been suspended for that long.

*Importation of labour*

28. Mr LEE Cheuk-yan was concerned that importation of a substantial number of labour might be required for the project related to the item, and he was worried that supporting the granting of supplementary provision would have the same effect as supporting importation of labour. He enquired about the number of imported workers and its proportion in the number of workers.

29. In response, USTH pointed that whether labour was imported or not imported was unrelated to this item, which sought FC's approval for supplementary provision for HZMB's HKBCFs. LD would critically examine the contractor's application for importing labour for this item in accordance with the established mechanism, and would definitely consult the Labour Advisory Board when its labour representatives were in attendance; besides, LD would also ensure priority employment of local workers.

*Impact of the project on the ecology of CWDs*

30. Mr Gary FAN queried that the waters where appearances of CWDs were found were not extensively covered in the of water quality tests conducted by the monitoring stations on North Lantau Island. He asked the Administration whether it had any data regarding the number of CWDs in 2015, and whether it had assessed the impact of the water quality pollution arising from the project on the ecology of CWDs. Ms Claudia MO expressed a similar concern and pointed out that as shown by the data of an official report, there was a trend of sharp falling in the number of CWDs during 2014, which was contrary to the Administration's earlier remark that the number of CWDs had become steady.

31. DHy advised that the Administration did not have the monitoring data regarding the number of CWDs in 2015. While the number of CWDs in the western waters of Hong Kong showed a downward trend, the dolphin experts did not find a direct relationship between the change in the number of CWDs and the construction works of the item as there was no significant change in the water quality of the waters before and after the commencement of the construction works. The reference data used by the Administration and the dolphin experts was an inductive annual average arrived through analysis.

32. Mr Charles MOK requested the Administration to provide information on the percentage of damaged precast units made of stone, and explain whether the restoration work would lead to extra public expenditure. DHy advised that the units concerned took up about 3 to 5% of all the units. If defects were identified in the units, the Administration would require the contractor to restore the units at its own cost, and hence no extra public expenditure would be incurred.

*Additional provision*

33. Mr WU Chi-wai and Dr KWOK Ka-ki queried that the facilities requiring additional provision were unnecessary.

34. USTH remarked that part of the supplementary provision was used for contingency purposes, and it might not be possible for the project to be completed by the end of 2017 if there was no such provision. Furthermore, while the facilities requiring the supplementary provision were not indispensable at the time of the commissioning of the Bridge, those facilities were still necessary for the operation of the boundary crossing.

35. Mr WU Chi-wai enquired the Administration about the mechanism it had in place to ensure that the contractor would not increase the price arbitrarily and cause cost overruns, given that it has no idea of the contractor's expenses on salaries of labour workers.

36. DHy advised that the overrun project price concerned was the tender price of a returned tender under the competitive bidding procedure. As the Administration understood it, increases in the costs of labour, machinery and construction materials were the main reasons for cost overruns.

*Cross boundary transport arrangements for HZMB*

37. Mr James TIEN enquired about the cross boundary transport arrangements after the commissioning of the HZMB, as well as the impact of such arrangements on the vehicular flow of the Bridge.

38. USTH advised that the cross boundary transport arrangements after the commissioning of the Bridge were not directly related to the additional provisions for this item, and the Administration would revert to the Panel on Transport on these matters. He reiterated that when the item was launched in 2008, the Administration had already provided the forecast daily vehicular flow of 9 200 to 14 000. The Administration was updating the data in collaboration with the relevant Mainland authorities.

Motion that further proceedings of the Committee be now adjourned

39. At 10:34 am, Mr Albert CHAN moved a motion pursuant to paragraph 39 of FCP that further proceedings of the Committee be then adjourned. The Chairman thereupon proposed the question that the meeting be then adjourned. The Chairman directed that each member, when speaking on the question, might speak once for not more than three minutes.

40. Mr Albert CHAN introduced his motion. Mr CHAN cast doubt on the authenticity of the grounds for cost overruns given in the Administration's papers. He disagreed with putting the item to vote before resolving the doubts. Mr CHAN also queried the neutrality of the Chairman in presiding over the meeting.

41. Dr Fernando CHEUNG, Dr KWOK Ka-ki, Mr Alan LEONG, Mr James TO, Ms Claudia MO, Mr LEUNG Yiu-chung and Ms Emily LAU spoke in support of Mr Albert CHAN's motion. These members criticized the HZMB for being a "white elephant project", as its vehicular flow would be less than expected and it would thus fail to recover the costs. These members also queried strongly that the Bridge's contractor, China Harbour Engineering Company Limited, had disregarded the safety standards of the construction works in meeting the deadlines and thus caused accidents and casualties, and that the monitoring mechanism of the Administration had failed to safeguard the safety of workers. In addition, the quality of the Bridge's construction materials and the ecological issues of CWDs arising from the project also attracted serious doubts. Nonetheless, the Administration had yet to fully address the aforementioned issues raised by the members. As such, the Committee should not put the item to vote. These members also criticized the Chairman's arrangement for restricting members from raising questions.

42. At 11 am, the Chairman declared that the meeting be adjourned.
43. The meeting was adjourned at 11 am.

Legislative Council Secretariat  
21 June 2016