

立法會

Legislative Council

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Finance Committee of the Legislative Council

**Minutes of the 49th meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 18 March 2016, at 5:12 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
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
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 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 Han-pan, JP
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP
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
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
Hon Alvin YEUNG Ngok-kiu

Members absent:

Dr Hon LAU Wong-fat, GBM, GBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Dr Hon LAM Tai-fai, SBS, JP
Dr Hon LEUNG Ka-lau
Hon CHEUNG Kwok-che
Hon WONG Yuk-man

Hon Michael TIEN Puk-sun, BBS, JP
Hon Kenneth LEUNG
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon TANG Ka-piu, JP

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 Raistlin LAU Chun, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Ms Jasmine CHOI Suet-yung	Principal Assistant Secretary for Financial Services & the Treasury (Treasury)(Works)
Mr Joseph LO Kwok-kuen	Chief Assistant Secretary for Development (Works) ¹ , Development Bureau
Mr Tony MOYUNG Hon	Assistant Director of Lands (Acquisition), Lands Department
Ms Joyce NG Suet-yee	Chief Estate Surveyor (Acquisition Section), Lands Department
Mr LEUNG Koon-kee, JP	Director of Architectural Services
Mr HUI Chiu-kin	Assistant Director of Architectural Services (Property Services), Architectural Services Department
Mr Edwin TONG Ka-hung, JP	Director of Drainage Services
Mr Samson LAI Yiu-kei	Assistant Director of Environmental Protection (Waste Management Policy), Environmental Protection Department
Ms Betty CHEUNG Miu-han	Assistant Director of Environmental Protection (Environmental Infrastructure), Environmental Protection Department
Mr Daniel CHUNG Kam-wah, JP	Director of Civil Engineering and Development

Mr CHUI Wing-wah	Deputy Director of Highways, Highways Department
Mr Raymond KONG Tai-wing	Deputy Project Manager/Major Works (1), Highways Department
Mr Ivan CHUNG Man-kit	Principal Assistant Secretary for Development (Planning & Lands)5, Development Bureau
Miss Charmaine WONG Hoi-wan, JP	Assistant Director of Home Affairs (2)
Mr Martin KWAN Wai-cheong	Chief Engineer (Works), Home Affairs Department
Ms Maggie CHIN Man-yi	District Planning Officer (Fanling, Sheung Shui and Yuen Long East), Planning Department
Mr LAM Ka-tai, JP	Deputy Director of Social Welfare (Services)
Mr KOK Che-leung	Assistant Director of Social Welfare (Subventions)
Mr Kelvin SIU Yun-piu	Assistant Secretary – General (Capital), University Grants Committee Secretariat
Mr LEE Kam-yuen	Chief Maintenance Surveyor (School Premises Maintenance), Education Bureau
Mr Murphy CHIU Hon-fai	Senior Maintenance Surveyor (School Premises Maintenance)1, Education Bureau
Dr LAI Shu-ming	Head of Estates, Health and Safety Division, Vocational Training Council
Mr LEUNG Wing-lim, JP	Assistant Director of Water Supplies (New Works)
Mr Timothy CHENG Leung-kit	Chief Systems Manager (Governance and Resources), Office of the Government Chief Information Officer
Mr LO Kwok-kong	Chief Civil Engineer (Public Works Programme) , Housing 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 Keith WONG	Council Secretary (1)5
Mr Raymond SZETO	Council Secretary (1)6
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Michelle NIEN	Legislative Assistant (1)5

Action

Meeting arrangements

Mr CHAH Chi-chuen opined that the Finance Committee ("the Committee") should accord priority to handling the motions of no confidence in the Chairman and Deputy Chairman he and other members submitted respectively before proceeding with the Administration's funding proposals. If the motion was carried, the Chairman should resign from the position of Chairman of the Committee immediately.

2. In response, the Chairman pointed out that in accordance with the established practice of the Committee, the Committee had to convene a special meeting separately to handle the above motion, and he was consulting members on a date for that meeting. He would resign from the position of the Chairman if the motion of no confidence in him was carried irrespective of the fact that the motion did not have any binding effect.

**Item No. 1 – FCR(2015-16)48
RECOMMENDATION OF THE
PUBLIC WORKS SUBCOMMITTEE MADE
ON 17 FEBRUARY 2016**

**PWSC(2015-16)48
BLOCK ALLOCATIONS FOR HEADS 701 TO 711 UNDER THE
CAPITAL WORKS RESERVE FUND**

Site formation and infrastructure works for development at Wang Chau, Yuen Long

3. Citing the development at Wang Chau, Yuen Long as an example, Mr LEE Cheuk-yan expressed concern that when resuming land for building public housing, the Administration had always emphasized resumption of

green belts and clearing of villages but with total disregard to brownfield sites. He asked if any timetable was in place for handling the issue of brownfield sites.

4. The Director for Civil Engineering and Development ("DCED") advised that, subject to availability of funding, the study on proposed multi-storey compounds in Hung Shui Kiu new development area for brownfield operations would begin in the second quarter of 2016, which was expected to be completed by 2018. Principal Assistant Secretary for Development (Planning & Lands)5, Development Bureau ("PAS(P&L)5, DevB") supplemented that it was the intention of the Administration to adopt a holistic approach in considering the strategy for development of brownfield sites upon completion of the related study; as such, no timetable for the above initiative was available yet.

Site formation and associated infrastructure works for purpose-built complex of residential care homes for the elderly in Area 29 of Kwu Tung North New Development Area

5. Regarding the funding application for the purpose-built complex of residential care homes for the elderly in Area 29 of Kwu Tung North New Development Area, Mr CHAN Chi-chuen enquired about the details and timetable for the reprovisioning of the existing residential care homes for the elderly ("RCHE") at Dills Corner Garden ("DCG"). He expressed concern about whether the elderly being affected could stay in situ and move to the new residential care homes upon completion of the new complex.

6. PAS(P&L)5, DevB remarked that in order to minimize the impact on the elderly living at DCG RCHE, which was pending reprovisioning, consideration had been given to converting the non-RCHE premises at DCG into a RCHE for occupation by the elderly affected by the Phase I demolition during the transition period (i.e. before the completion of the purpose-built RCHE complex), so that it would be unnecessary for them to move out from the DCG RCHE until completion of the purpose-built RCHE complex.

Preliminary feasibility study of a cable car system from Ngong Ping to Tai O

7. Regarding the preliminary feasibility study of a cable car system from Ngong Ping to Tai O, Mr LEUNG Yiu-chung and Mr LEUNG Kwok-hung remarked that the Administration had already consulted the local residents regarding the cable car system; they did not agree with the argument of the Administration that it was necessary to conduct a technical feasibility study on the cable car system first before public consultation exercise could be

conducted. They queried if the Administration's intention was to take forward the project by bypassing the dissenting views against the cable car system under the guise of a technical feasibility study.

8. Mr YIU Si-wing remarked that the Lantau Development Advisory Committee of the Administration had studied various proposals to improve the transport problems (including the cable car system) facing the Tai O residents. He believed that in addition to alleviating the local transport problem, the system could also promote the development of tourism. He indicated his support for the item.

9. DCED indicated that a public consultation exercise on Lantau development was currently being undertaken, while for the cable car system from Ngong Ping to Tai O, another round of public consultation exercise would be conducted upon completion of the preliminary feasibility study, with a view to ensuring that the members of the public could have the opportunity to express their views.

10. In response to an enquiry from Mr YIU Si-wing regarding Lantau development, PAS(P&L)5, DevB and DCED remarked that the a public consultation exercise on the layout plan for Lantau development was currently being undertaken; planning details would be available in due course.

Members' suggestion of taking out certain individual project items from the funding proposal on block allocations for separate voting

11. Mr Alan LEONG and Mr Gary FAN queried that the Administration's paper on the funding proposal on block allocations provided only limited information of the relatively more controversial items, and the information was inadequate to address members' concerns. They urged the Administration to identify individual items which were relatively more controversial for independent consideration and separate voting by the Committee.

12. Ms Emily LAU urged that the Administration should adopt a step-by-step approach, starting with the least daunting issues, to allow the Committee to handle non-controversial issues first.

13. Permanent Secretary for Financial Services and the Treasury (Treasury) ("PSFST(T)") said that members' views had been sought on the order of agenda items to be discussed by the Committee and items to be submitted to the Committee for consideration. Of the funding proposal on block allocations under consideration, there was a pressing need for funding approval to be obtained by 1 April this year for more than 7 000 items that were currently being undertaken in order to cope with the relevant expenditures in the financial year of 2016-2017, otherwise it would greatly affect Hong Kong and those public works projects. Given that the items of members' concern were being undertaken, there would be practical difficulties in splitting them up individually from the block allocations. The Administration would respond to members' questions on those items as far as possible.

14. Mr Gary FAN referred to a case where, in January 2014, prior to the discussion on the funding proposal on block allocations set out in FCR(2013-14)48, members had requested that individual controversial items (such as the Southeast New Territories Landfill Extension) be taken out for separate voting by the Committee. The then Chairman Mr NG Leung-sing had considered consulting the Committee on that request. At that time, the Administration responded to the request of members and made a last-minute decision before the meeting was held that items of members' concern be taken out from the proposal. Against this backdrop, Mr FAN requested the Chairman to make reference from the above precedent and exercise his authority to decide on the agenda of the meeting to have items of members' concern taken out from the current block allocation proposal for separate voting by the Committee.

15. At the request of Mr Gary FAN, the Chairman asked whether the Administration was willing to have items of members' concern taken out from the current block allocation proposal for separate voting by the Committee. Deputy Secretary for Financial Services and the Treasury³ responded that given the importance and urgency of the items, the Administration considered it appropriate to keep all items under the funding proposal on block allocations for the Committee to vote in one go.

16. The Chairman remarked that Mr Gary FAN's request would essentially alter the established practice of the Committee in handling Capital Works Reserve Fund block allocations in more than 30 years; as such, he would put forth this question for the Committee to decide whether that was acceptable. He would allow members to speak on the question once for not more than 3 minutes and then invite the Administration to respond and further elaborate on its position. He would then put the question to the Committee for voting.

17. Mr Gary FAN spoke on the question. He remarked that the established practice of the Committee in considering and voting on funding proposal on block allocations put forth by the Administration in one go had failed to address members' concerns with respect to their views on certain individual items; as such, it was necessary to introduce some changes to allow individual items to be taken out for independent consideration and separate voting by the Committee.

18. Mr Albert HO, Mr CHAN Chi-chuen, Dr Fernando CHEUNG, Mr LEUNG Kwok-hung, Dr Kenneth CHAN, Mr Alvin YEUNG, Mr WU Chi-wai, Ms Emily LAU, Mr Albert CHAN, Mr Charles Peter MOK, Mr LEE Cheuk-yan, Mr Federick FUNG, Mr Alan LEONG, Mr James TO and Mr LEUNG Yiu-chung indicated their support for Mr FAN's question. These members remarked that there was precedent in the Committee, where the Chairman had sought the decision of the Committee on members' request to have controversial items taken out from the funding application on block allocations for separate voting. As far as the current funding proposal on block allocations was concerned, there were certain controversial items which should be taken out for independent discussion and separate voting. The change would allow approval to be given to non-controversial items first while allowing the Committee to discuss individual items of members' concern. They criticized the Administration for being overly rigid in refusing to have those items taken out.

19. Ir Dr LO Wai-kwok, Mr CHAN Hak-kan, Mr CHAN Han-pan, Mr YIU Si-wing and Mr CHAN Kam-lam opposed to Mr Gary FAN's question. These members said that as the projects under Capital Works Reserve Fund block allocations funding proposal came together as an integrated whole, consideration of the funding proposal should be carried out in a holistic manner. Furthermore, funding proposal on block allocations could easily have contained thousands of items. Taking out those items individually for independent consideration would be prohibitively time-consuming and practicably infeasible. Moreover, members' concerns on individual items

were mostly about policy matters, which had been thoroughly discussed in respective Panels. To sum up the above, the established practice of the Committee which had been proven effective should remain unchanged.

20. Mr CHAN Hak-kan and Mr CHAN Han-pan asked about the impact of the reprovisioning of DCG RCHE if the funding application for the purpose-built RCHE complex in Area 29 of Kwu Tung North New Development Area had been taken out for independent consideration. PAS(P&L)5, DevB responded by pointing out that before submitting funding application to the Committee for the main projects in Kwu Tung North New Development Area (including funding for construction of the purpose-built RCHE complex), the Administration aimed at completing land resumption within this year once funding approval from the Committee had been obtained. If the item had to be independently considered by the Committee, it could delay the land resumption initiative and impede the target for a seamless reprovisioning of the DCG RCHE.

21. Mr Albert CHAN queried that the Chairman had not properly declared his interest.

22. In reply to Mr James TO's enquiry, the Chairman said that although the Chairman had the authority to decide on the agenda and to take out items from the funding proposal on block allocations for separate voting by the Committee, this would alter the established practice of the Committee that had been in place for more than 30 years. Given the bearing of the matter, he considered that the consent of the Committee should be sought before the practice could be altered.

Order of the meeting

23. At 6:27 pm, after Mr Albert CHAN had finished his speech on the question, he continued to speak loudly without the permission of the Chairman. The Chairman requested Mr CHAN to stop speaking and issued a warning against him, but Mr Albert CHAN remained defiant against the Chairman's instruction. As the warning did not have any effect, the Chairman ruled that Mr Albert CHAN was acting in an extremely disorderly manner and ordered him to withdraw from the meeting immediately. Mr Albert CHAN refused to leave the conference room; he stood on his desk and continued speaking loudly in protest.

24. At 6:28 pm, the Chairman declared that the meeting be suspended for 10 minutes.

25. The meeting resumed at 6:41 pm.

Responses from the Administration

26. After members had spoken, and at the request of the Chairman, PSFST(T) responded that the Administration was willing to listen to members' views on the order of agenda items of the Committee and had consulted members in this regard. Nevertheless, the Administration also noted that the Committee had many outstanding agenda items to be handled in the remaining time of the current session and would be unable to set aside additional time for independent discussion of individual items in the funding proposal on block allocations, which would have a huge bearing on the works projects. Moreover, it was imperative that funding would be made available to individual items under the funding proposal on block allocations in a timely manner, because each individual item had its respective urgency. Given the above, the Administration advised against taking out individual items from the funding proposal on block allocations for independent deliberation and separate voting.

Voting on question

27. The Chairman put Mr Gary FAN's question "that the Committee agrees to change the established practice for voting on funding proposals on block allocations under the Capital Works Reserve Fund so that individual items in FCR(2015-16)48 may be taken out for separate voting". At the request of members, the Chairman ordered a division and the division bell was rung for five minutes.

28. While the bell was ringing, Mr Abraham SHEK declared that he was the member representing the functional constituency of Real Estate and Construction, and he was also a non-executive director for a number of construction works companies, which could have taken part in the items under the block allocations funding proposal.

29. The Chairman declared that 17 members voted in favour of and 26 members voted against this question. The votes of individual members were as follows –

For:

Mr Albert HO Chun-yan
Mr LEUNG Yiu-chung
Mr Frederick FUNG Kin-kee

Mr LEE Cheuk-yan
Ms Emily LAU Wai-hing
Ms Cyd HO Sau-lan

Mr Alan LEONG Kah-kit	Mr LEUNG Kwok-hung
Ms Claudia MO	Mr WU Chi-wai
Mr Gary FAN Kwok-wai	Mr Charles Peter MOK
Mr CHAN Chi-chuen	Dr Kenneth CHAN Ka-lok
Dr Fernando CHEUNG Chiu-hung	Dr Helena WONG Pik-wan
Mr Alvin YEUNG Ngok-kiu	
(17 members)	

Against:

Mr CHAN Kam-lam	Mr TAM Yiu-chung
Mr Abraham SHEK Lai-him	Mr Jeffrey LAM Kin-fung
Mr Andrew LEUNG Kwan-yuen	Mr WONG Ting-kwong
Ms Starry LEE Wai-king	Mr CHAN Hak-kan
Dr Priscilla LEUNG Mei-fun	Mr WONG Kwok-kin
Mr IP Kwok-him	Mrs Regina IP LAU Suk-yee
Mr NG Leung-sing	Mr Steven HO Chun-yin
Mr Frankie YICK Chi-ming	Mr YIU Si-wing
Mr MA Fung-kwok	Mr CHAN Han-pan
Miss CHAN Yuen-han	Miss Alice MAK Mei-kuen
Mr Christopher CHEUNG Wah-fung	Dr Elizabeth QUAT
Mr POON Siu-ping	Dr CHIANG Lai-wan
Ir Dr LO Wai-kwok	Mr Tony TSE Wai-chuen
(26 members)	

30. The Chairman declared that Mr Gary FAN's question was negated.

Motion that the further proceedings of the Committee be now adjourned

31. At 7:15 pm, Mr CHAN Chi-chuen requested to move that further proceedings of the Committee be now adjourned under paragraph 39 of the Finance Committee Procedure. The Chairman said that since the meeting had reached its ending time, if he declared the meeting for today to be ended, it would not be necessary for the Committee to handle the motion on further proceedings of the Committee be now adjourned. As no members raised any objections, the Chairman declared that the meeting be adjourned.

32. The meeting was adjourned at 7:15 pm.