

立法會
Legislative Council

LC Paper No. FC190/17-18

(These minutes have been
seen by the Administration)

Ref : FC/1/1(24)

Finance Committee of the Legislative Council

Minutes of the 49th meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 16 June 2017, at 5:28 pm

Members present:

Hon CHAN Kin-por, BBS, JP (Chairman)
Hon Michael TIEN, BBS, JP (Deputy Chairman)
Hon James TO
Hon LEUNG Yiu-chung
Hon Abraham SHEK, GBS, JP
Hon Tommy CHEUNG, GBS, JP
Hon Jeffrey LAM, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon Starry LEE, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG, SBS, JP
Hon Mrs Regina IP, GBS, JP
Hon Paul TSE, JP
Hon LEUNG Kwok-hung
Hon Claudia MO
Hon Steven HO, BBS
Hon Frankie YICK, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon LEUNG Che-cheung, BBS, MH, JP

Hon Alice MAK, BBS, JP
Hon KWOK Wai-keung
Hon Dennis KWOK
Dr Hon Fernando CHEUNG
Dr Hon Helena WONG
Hon IP Kin-yuen
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO, 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 Alvin YEUNG
Hon Andrew WAN
Hon CHU Hoi-dick
Hon Jimmy NG, JP
Dr Hon Junius HO, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW
Hon SHIU Ka-fai
Hon SHIU Ka-chun
Hon Wilson OR, MH
Hon YUNG Hoi-yan
Dr Hon Pierre CHAN
Hon CHAN Chun-ying
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM
Hon Nathan LAW
Dr Hon YIU Chung-yim
Dr Hon LAU Siu-lai

Members absent:

Prof Hon Joseph LEE, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Kenneth LEUNG
Dr Hon KWOK Ka-ki
Hon Christopher CHEUNG, SBS, JP
Hon Tanya CHAN
Hon Kenneth LAU, MH, JP

[According to the Judgment of the Court of First Instance of the High Court on 14 July 2017, LEUNG Kwok-hung, Nathan LAW Kwun-chung, YIU Chung-yim and LAU Siu-lai have been disqualified from assuming the office of a member of the Legislative Council, and have vacated the same since 12 October 2016, and are not entitled to act as a member of the Legislative Council.]

Public officers attending:

Ms Elizabeth TSE Man-ye, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Carol YUEN, 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
Mr Raymond CHENG Nim-tai	Principal Assistant Secretary for Transport and Housing (Transport) 7
Mr Daniel CHUNG Kum-wah, JP	Director of Highways
Mr Jimmy CHAN Pai-ming, JP	Principal Government Engineer (Railway Development), Highways Department
Mr Frankie CHOU Wing-ping	Chief Engineer (Railway Development)1-2, Highways Department
Dr Philco WONG	Projects Director, MTR Corporation Limited
Mr Ken WONG	General Manager (Projects), MTR Corporation Limited

Mr Jason WONG	General Manager (SCL Civil (EWL)), MTR Corporation Limited
Mr Stephen YAU	Manager (Estimates, Cost Control and Logistics), MTR Corporation Limited
Ms Prudence CHAN	Senior Manager (Projects and Property Communications), MTR Corporation Limited

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
Ms Ada LAU	Senior Council Secretary(1)7
Mr Raymond SZETO	Council Secretary (1)5
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Michelle NIEN	Legislative Assistant (1)5

Action

**Item No.1 — FCR(2017-18)10
RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 5 APRIL 2017**

PWSC(2016-17)43

Head 706 — HIGHWAYS

Transport — Railways

**63TR — Shatin to Central Link—construction of railway
works—advance works**

The Finance Committee ("FC") continued with the deliberation on FCR(2017-18)10.

Monitoring mechanism of the Government and its effectiveness

2. In view of the cost overruns of the advance works of the Shatin to Central Link ("SCL"), Dr Fernando CHEUNG asked about the measures to be taken by the Administration to avoid cost overruns of the main works of SCL, as well as the estimated total amount of cost overruns of the entire project.

3. In response, the Under Secretary for Transport and Housing ("USTH") pointed out that the Administration was duty bound to control the project costs as far as possible and would achieve it by shortening the duration of works as much as possible, but the estimated amount of cost overruns of the entire project as calculated by the MTR Corporation Limited ("MTRCL") would only be available for review by the Administration by the latter half of 2017.

4. Mr LEUNG Kwok-hung enquired whether the decision on the mode of contract for implementing the project was made by the Administration or MTRCL. The Director of Highways ("D of Hy") responded that according to the entrustment agreement, it was the duty of MTRCL to determine the mode of contract to implement the project.

Motion to adjourn the discussion on agenda item FCR(2017-18)10

5. At 5:34 pm, Mr LEUNG Kwok-hung moved under paragraph 39 of the Finance Committee Procedure ("FCP") that discussion on FCR(2017-18)10 be adjourned. The Chairman proposed the question and directed that each member might speak once on the motion for not more than three minutes.

6. Mr LEUNG Kwok-hung briefed the meeting on his motion. Mr LEUNG considered that the cost overruns incurred by SCL advance works were unacceptable and the Administration had failed to provide the information requested by members to ease their worries.

7. Ms Claudia MO, Dr Fernando CHEUNG, Mr HUI Chi-fung, Dr YIU Chung-yim, Mr Nathan LAW, Mr CHAN Chi-chuen, Mr Andrew WAN, Mr Jeremy TAM, Dr Pierre CHAN, Mr CHU Hoi-dick, Dr LAU Siu-lai, Mr KWONG Chun-yu, Dr CHENG Chung-tai, Mr LEUNG Yiu-chung and Mr James TO spoke in support of Mr LEUNG's motion. In gist, they considered that the Administration should withdraw the paper for the item and submit it again in future as the Administration had not put forward specific proposals for cost control, officials attending the meeting had failed to provide comprehensive answers to the questions raised by members, and the contents of the papers provided by the Administration were either incomplete or misleading.

8. During the debate, Mr HUI Chi-fung was dissatisfied that members were only allowed to speak for three minutes. The Chairman remarked that the item had been discussed for four hours by the Public Works Subcommittee and more than 6 hours by FC. Besides, the Chairman had repeatedly reminded members to return to the Conference Room to raise questions. He observed that when he directed that it was the last round of questions, Mr HUI did not press the button to indicate his intention to speak. Considering that the Chairman had made an incorrect observation, Mr HUI Chi-fung raised a point of order. The Chairman said that he would neither deal with it nor make a ruling on it.

9. At the Chairman's request, the Clerk explained that at the time when Mr HUI Chi-fung pressed the button, it was an indication for waiting to speak for the last round of three minutes.

10. Ms Starry LEE declared that she owned properties along the alignment of SCL. The accounting firm she worked for was the auditor of MTRCL, but she was not involved in the related work. Mr Tommy CHEUNG declared that his wife owned properties along the alignment of MTR.

11. Mr LEUNG Kwok-hung spoke in reply in respect of his motion. The Chairman put the motion to vote. At the request of members, the Chairman ordered a division and the motion was negatived. The votes of individual members were set out in **Annex**. FC continued with the deliberation on item FCR(2017-18)10.

Unfavourable ground conditions

12. Mr HUI Chi-fung enquired whether the unfavourable ground conditions eventually detected through ground investigations were definitely unforeseeable.

13. In response, the Projects Director, MTRCL ("PD/MTRCL") pointed out that:

- (a) in case of complex geology, investigation findings obtained from different investigation sites might not reflect the actual conditions; and
- (b) with current technologies, site investigations could not ensure 100% accuracy.

14. Mr Michael TIEN asked whether MTRCL would step up site investigation work for its self-financing items in future. Mr TIEN enquired whether the Transport and Housing Bureau would instruct the Civil Engineering and Development Department to update its Geoguide. Mr Jeremy TAM expressed similar views.

15. PD/MTRCL said that site investigation work would be stepped up as far as possible in future. D of Hy said that the entrustment agreement required MTRCL to adopt the same high standards as those for implementing its projects.

Financial arrangements

16. Mr Andrew WAN requested the following information: the expenditure and nature of each contract awarded under 63TR, a comparison table showing the corresponding items under the application for additional provisions for 63TR, and whether an audit report for the funding application to meet the cost overruns concerned had been prepared by the Administration or MTRCL. Dr YIU Chung-yim considered that the Administration should engage independent auditors to verify the financial reports provided by MTRCL. He and Mr CHAN Chi-chuen requested the authorities to give a clear account of the data on the provision for price adjustments.

17. In response, PD/MTRCL pointed out that:

- (a) the cost overruns incurred by various items of works were clearly set out in PWSC(2016-17)43 and its enclosures; and
- (b) all estimates were examined by the Project Control Group and the authorities would provide related audit data as far as possible. The financial data provided by MTRCL were accurate.

18. USTH said that the financial data provided by MTRCL were believed to contain no misrepresentation.

19. Mr KWONG Chun-yu enquired whether the 50 to 60 projects that experienced cost overruns in the past were all carried out in recent years. USTH remarked that the projects were carried out between 2006 and 2015.

20. Ms Claudia MO was dissatisfied that LC Paper No. FC182/16-17(01) was provided by the Administration as late as in the morning of 16 June 2017, leaving members with no time to digest its contents. USTH said that they had spared no effort to prepare the paper within the shortest time possible.

Motion for the adjournment of further proceedings of the Finance Committee

21. At 7:01 pm, Mr CHAN Chi-chuen moved under FCP 39 that further proceedings of FC be then adjourned. As the scheduled ending time of the meeting was 7:25 pm, the Chairman directed that the meeting would end earlier at this juncture, and reminded members that motions proposed by members under FCP 37A would be dealt with at the meeting to be held on the following day.

22. The meeting ended at 7:02 pm.

Legislative Council Secretariat
13 March 2018

點名表決DIVISION: 1
日期 DATE: 16/06/2017
時間 TIME: 06:35:26 下午 PM

動議 MOTION: 動議中止議程文件 FCR(2017-18)10 - PWSC(2016-17)43 的討論
Motion that discussion on FCR(2017-18)10 - PWSC(2016-17)43 be now adjourned

動議人 MOVED BY:

出席 Present : 50
投票 Vote : 49
贊成 Yes : 20
反對 No : 29
棄權 Abstain : 0
結果 Result : 否決 Negatived

個別表決如下 THE INDIVIDUAL VOTES WERE AS FOLLOWS:

議員	MEMBER	投票	VOTE	議員	MEMBER	投票	VOTE
陳健波	CHAN Kin-por	出席	PRESENT	葉建源	IP Kin-yuen		
涂謹申	James TO	贊成	YES	葛珮帆	Dr Elizabeth QUAT	反對	NO
梁耀忠	LEUNG Yiu-chung	贊成	YES	廖長江	Martin LIAO	反對	NO
石禮謙	Abraham SHEK			潘兆平	POON Siu-ping	反對	NO
張宇人	Tommy CHEUNG	反對	NO	蔣麗芸	Dr CHIANG Lai-wan	反對	NO
李國麟	Prof Joseph LEE			盧偉國	Ir Dr LO Wai-kiok	反對	NO
林健鋒	Jeffrey LAM			鍾國斌	CHUNG Kwok-pan	反對	NO
黃定光	WONG Ting-kwong	反對	NO	楊岳橋	Alvin YEUNG	贊成	YES
李慧琼	Starry LEE	反對	NO	尹兆堅	Andrew WAN	贊成	YES
陳克勤	CHAN Hak-kan	反對	NO	朱凱迪	CHU Hoi-dick	贊成	YES
梁美芬	Dr Priscilla LEUNG	反對	NO	吳永嘉	Jimmy NG		
黃國健	WONG Kwok-kin			何君堯	Dr Junius HO	反對	NO
葉劉淑儀	Mrs Regina IP	反對	NO	何啟明	HO Kai-ming	反對	NO
謝偉俊	Paul TSE			林卓廷	LAM Cheuk-ting	贊成	YES
梁國雄	LEUNG Kwok-hung	贊成	YES	周浩鼎	Holden CHOW	反對	NO
毛孟靜	Claudia MO	贊成	YES	邵家輝	SHIU Ka-fai	反對	NO
田北辰	Michael TIEN	反對	NO	邵家臻	SHIU Ka-chun		
何俊賢	Steven HO	反對	NO	柯創盛	Wilson OR	反對	NO
易志明	Frankie YICK			容海恩	YUNG Hoi-yan		
胡志偉	WU Chi-wai	贊成	YES	陳沛然	Dr Pierre CHAN		
姚思榮	YIU Si-wing	反對	NO	陳振英	CHAN Chun-ying	反對	NO
馬逢國	MA Fung-kwok	反對	NO	陳淑莊	Tanya CHAN		
莫乃光	Charles Peter MOK	贊成	YES	張國鈞	CHEUNG Kwok-kwan	反對	NO
陳志全	CHAN Chi-chuen	贊成	YES	許智峯	HUI Chi-fung	贊成	YES
陳恒鑽	CHAN Han-pan	反對	NO	陸頌雄	LUK Chung-hung	反對	NO
梁志祥	LEUNG Che-cheung	反對	NO	劉國勳	LAU Kwok-fan	反對	NO
梁繼昌	Kenneth LEUNG			劉業強	Kenneth LAU		
麥美娟	Alice MAK	反對	NO	鄭松泰	Dr CHENG Chung-tai	贊成	YES
郭家麒	Dr KWOK Ka-ki			鄭俊宇	KWONG Chun-yu	贊成	YES
郭偉強	KWOK Wai-keung	反對	NO	譚文豪	Jeremy TAM	贊成	YES
郭榮鏗	Dennis KWOK			羅冠聰	Nathan LAW	贊成	YES
張華峰	Christopher CHEUNG			姚松炎	Dr YIU Chung-yim	贊成	YES
張超雄	Dr Fernando CHEUNG	贊成	YES	劉小麗	Dr LAU Siu-lai	贊成	YES
黃碧雲	Dr Helena WONG	贊成	YES				

秘書 CLERK

