

立法會

調查赤鱘角新香港國際機場自1998年7月6日 開始運作時所出現的問題的原委及有關事宜 專責委員會

第24次公開研訊的逐字紀錄本

日期： 1998年11月30日(星期一)
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地點： 立法會會議廳

出席委員

周梁淑怡議員(主席)
何鍾泰議員(副主席)
何承天議員
吳靄儀議員
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證人

香港機場管理局
項目工程總監
柯家威先生

陪同證人出席研訊的其他人士

香港機場管理局
合約經理
潘嘉宏先生

立法會調查赤鱘角新香港國際機場自1998年7月6日
開始運作時所出現的問題的原委及有關事宜
專責委員會
Legislative Council Select Committee to inquire into the circumstances
leading to the problems surrounding the commencement of the operation of
the new Hong Kong International Airport at Chek Lap Kok
since 6 July 1998 and related issues

主席：

多謝各位出席今天舉行的專責委員會第24次研訊。

在未正式開始研訊前，我想提醒各位委員，整個研訊過程必須有足夠的法定人數，即連主席在內共5名委員。

我想藉此機會再次提醒公眾人士及傳媒，若在研訊進行程序以外披露研訊上提供的證據，將不受《立法局(權力及特權)條例》所保障。因此傳媒應就他們的法律責任，徵詢法律意見。

在未傳召證人香港機場管理局項目工程總監柯家威先生之前，我想徵詢委員的意見，柯家威先生已通知專責委員會秘書，他將帶同以下人士出席研訊：香港機場管理局合約經理潘嘉宏先生。如委員沒有異議，我建議容許潘嘉宏先生在研訊進行期間陪同柯家威先生，但他不可在席上發言或提示證人如何回答委員的問題。

如委員對研訊程序沒有其他意見，我宣布研訊開始，並傳召證人香港機場管理局項目工程總監柯家威先生。

(柯家威先生進入會議廳，
並由潘嘉宏先生陪同)

Mr OAKERVEE, thank you for attending the hearing of the Select Committee again. You are summonsed before the Select Committee today to give evidence and to produce papers, books, records and documents related to the Select Committee's scope of inquiry. Please note that you are still under oath when giving your evidence. Mr OAKERVEE, the Select Committee has agreed that you may be accompanied by Mr Kevin POOLE during the hearing to assist you in the handling of documents, where necessary, but he will not be allowed to address the hearing or prompt you in any way in your replies to Members.

The Select Committee will now deal with the papers, records and documents that the witness has produced after the hearing on 16 October 1998.

The Select Committee notes that the witness has provided the following documents after the hearing on 16 October 1998:

- (1) Letter dated 23 October 1998 from Mr Kevin POOLE to Clerk to the Select Committee and the attached documents;

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- (2) Letter dated 29 October 1998 from Mr Bill ROBERTS to Clerk to the Select Committee and the attached documents;
- (3) Letter dated 2 November 1998 from Mr Kevin POOLE to the Deputy Secretary General of the Legislative Council Secretariat and the attached documents;
- (4) Letter dated 6 November 1998 from Mr Kevin POOLE to the Deputy Secretary General of the Legislative Council Secretariat and the attached documents;
- (5) Letter dated 11 November 1998 from Mr Douglas OAKERVEE to Clerk to the Select Committee and the attached document;
- (6) Three letters dated 13 November 1998 from Mr Douglas OAKERVEE to Clerk to the Select Committee and the attached documents;
- (7) Letter dated 17 November 1998 from Mr Kevin POOLE to the Deputy Secretary General of the Legislative Council Secretariat and the attached documents;
- (8) Letter dated 18 November 1998 from Mr Kevin POOLE to the Deputy Secretary General of the Legislative Council Secretariat and attached documents;
- (9) Letter dated 19 November 1998 from Mr Douglas OAKERVEE to the Clerk to the Select Committee and the attached documents;
- (10) Letter dated 25 November 1998 from Mr Douglas OAKERVEE to Clerk to the Select Committee and the attached documents.

Mr OAKERVEE, are you now formally producing all the documents mentioned above to the Select Committee as evidence?

Project Director, AA:

I am, Madam Chairman.

Chairman:

I now declare that all the documents mentioned above are admitted as evidence produced to the Select Committee.

We now continue with the hearing. Mr OAKERVEE, in your evidence given to the Select Committee on 15 October, you said and I quote:

"As from mid-June, as the Project Director at the airport, I handed the entire facility over to the Airport Management Division and the Maintenance Division".

Since then, we have been hearing from various witnesses that in fact whatever have been handed over to them, quite a few of those facilities that were handed over were handed over for administrative purposes only and they were not really performing as they ought to be performing on AOD.

In fact, the Consultant Project Engineer, Mr Tudor WALTERS, made a general statement in his statement to the Commission of Inquiry that the problems with the PTB may be generalised as predominantly caused by lateness of, first, the phased completion of the foundations, then late completion of the building structure, finishes, systems installation, integration, testing and commissioning, with training and familiarisation being squeezed into a continually decreasing time frame.

Mr OAKERVEE, could you tell us in general terms, since you are the person in charge of all the physical works which the ex-CPM, Mr Tudor WALTERS, referred to in his statement, what have you got to respond?

Project Director, AA:

In general terms, I think all the points that Mr WALTERS made have got some substance. The foundations were late, from memory, by about two and a half, three months, and that gave rise eventually to delays to the main structure. The fit-out contracts were delayed because the Provisional Airport Authority wasn't in a position to tender those works until the establishment of the Airport Authority which then had its financial support agreement. That caused further delays. In all, the main contractor of C302 claimed a delay of 11 months which was negotiated and the supplemental agreements were then brought into place to

bring the terminal building to completion by April 1998. The main building contractor in effect got his temporary occupation permits on 16 January and 14 February.

In respect of systems contracts, however, we did have delays on some of those, the most noticeable ones being the access control, and FIDS was also delayed. As I correctly told this Committee previously, all these systems were handed over in mid-June to Operation or AMD. Yes, you are correct in saying that they were for administrative purposes and all further works were done by the Project Division contractors but with the permission of AMD at the timings they permitted. That is still the case today, where they are going in doing works at the moment. So, the airport has come under the discipline of AMD and not the discipline of Project from that point in time.

Chairman:

You would agree that when you gave evidence to this Committee before, you created the impression at the time that in fact whatever was under your responsibility and control, you had those all completed and handed over to AMD and Maintenance, that wasn't quite accurate, was it?

Project Director, AA:

I didn't intend to give that view. If that is the view I gave, I apologise. I thought I did say - and it is only my thought - that the contractual aspect of it still came under the Project Division but we only entered the terminal building as and when we have got permission from AMD.

Hon Edward HO Sing-tin:

Chairman, I would like to, first of all, clarify something. I think Mr OAKERVEE would remember when I asked him about the practical completion of the building contracts?

Project Director, AA:

Right.

Hon Edward HO Sing-tin:

You said the peculiarity of the contract means you cannot actually get the certificate until the airport opened?

Project Director, AA:

6 July, yes. That is the earliest.

Hon Edward HO Sing-tin:

I just want to clarify the actual physical completion of the PTB. There is a chart in Paper no. B197 in Volume VIII. I believe this was furnished by you to us?

Project Director, AA:

I suspect so.

Hon Edward HO Sing-tin:

The chart outlined the handover certificate dates. B197, do you have that?

Project Director, AA:

Yes, I have it.

Hon Edward HO Sing-tin:

I want to first clarify some facts. The first line there is contract 302, the PTB, and it says there "handover certificate 30 April 1998". Under the comments column, it says "public areas used for third trial" and then handover awaited, cleaning, and so on and so forth. The question is whether all the physical work in that particular contract had been completed by 30 April 1998 because it only mentions public areas in this line?

Project Director, AA:

All the basic work that was scheduled to complete was done. Extra works that weren't originally required were being undertaken after that date. This is where we had various enhancements and changes as a result of the trials.

Hon Edward HO Sing-tin:

All the works in the main contract were completed?

Project Director, AA:

All the works in the main contract were complete.

Hon Edward HO Sing-tin:

Completed by 30 April, is that right?

Project Director, AA:

That's right.

Hon Edward HO Sing-tin:

Does that include the internal partitions and fitting-out of whatever is included in the main contract?

Project Director, AA:

Fit-out works in Government areas were primarily done. They were done except outstanding works and defects that the Architectural Services Department had identified, which had to be done.

Hon Edward HO Sing-tin:

From my recollection, I believe that the airline offices were not ready even after AOD?

Project Director, AA:

The airline offices are fitted out by the airlines or tenants. The area that we left out, quite deliberately, was in the corridors by the tenant area, this was the false ceilings, and the carpet, that was left as outstanding works.

Hon Edward HO Sing-tin:

So you confirm that by 30 April all the physical works which should have been completed by the main contractor under the contract was completed?

Project Director, AA:

That's right, but there were a lot of enhancement works that started after that day.

Hon Edward HO Sing-tin:

Were the enhancement works variations that the main contractor should also finish?

Project Director, AA:

They were variations that were given as a result of the trials. One such variation was the screens in the Immigration area within departures. These screens were completed and then after the trials, it was decided that they were to be moved back several metres. So they were moved back. That is one example.

Hon Edward HO Sing-tin:

The next question is about building services. The line below. That was completed, as stated here on 30 May 1998, is that correct?

Project Director, AA:

That is correct. He still had works to do with the building management system.

Hon Edward HO Sing-tin:

Would building services include the air-conditioning system?

Project Director, AA:

The air-conditioning system was there, except they were having problems with the air-conditioning.

Hon Edward HO Sing-tin:

If there were problems, would that be regarded as completion? When they complete the contract, you would have to go through the acceptance process, right?

Project Director, AA:

But these are Handover Certificates and not Certificates of Completion. That is what I was trying to explain before.

Hon Edward HO Sing-tin:

Chairman, that is what I am trying to clarify. I don't think there is any use talking about the certificate because, as you already told us last time, the certificates could only be issued once the airport opened but not before?

Project Director, AA:

That's right.

Hon Edward HO Sing-tin:

What I am trying to establish were the physical works they finished, regardless of the certificates?

Project Director, AA:

I think what you and I would know in more normal contracts, with the handover certificate --

Hon Edward HO Sing-tin:

I am not talking about the contractual position. I am talking about real physical --

Project Director, AA:

The handover certificate is where the works were basically complete.

Hon Edward HO Sing-tin:

We were talking about air-conditioning. Was the air-conditioning complete?

Project Director, AA:

The air-conditioning was complete and was working. We had trouble with it after we started operating it.

Hon Edward HO Sing-tin:

Were these tested before acceptance?

Project Director, AA:

They were tested before they were used but there was a problem with the main motors developed, which we have subsequently sorted out.

Chairman:

But this is the whole point, Mr OAKERVEE. The point is: You tell us that works have been completed for opening and then you go on telling us that certain contracts have had handover certificates by certain dates. Then you tell us "Well, even though we have the handover certificates they are not working properly". What is the good of telling us that there have already been handover certificates, completed, if it doesn't mean anything in terms of performance of that particular contract?

Project Director, AA:

It does. Madam Chairman, and I am generalising. Although testing and commissioning was done for most of these systems before, not all system, the actual confidence trials started after we started operating the airport. That is written into most of the contracts because the systems have to be under stress.

Chairman:

Are you saying that all the testing and commissioning would have been completed when the handover certificate is issued?

Project Director, AA:

Unless it was expressly shown to be otherwise.

Hon Edward HO Sing-tin:

Can we be more specific? Let's go over it one by one. The air-conditioning, was there testing and commissioning done and accepted by I guess the project engineers and yourself?

Project Director, AA:

Testing and commissioning had been done. There will be still further testing to be done.

Hon Edward HO Sing-tin:

In that case it was incomplete?

Project Director, AA:

But that is in that period when we started to have trouble with the motors.

Hon Edward HO Sing-tin:

According to this chart, the handover certificate was issued on 30 May. I think we have been told that handover doesn't mean completion, it merely is a time where you hand over the facilities to the users, right?

Project Director, AA:

Correct.

Hon Edward HO Sing-tin:

What I would like to establish is when was testing and commissioning done to establish that a certain part of the works had been completed physically?

Project Director, AA:

We had tested these machines but we hadn't put them under stress.

Hon Edward HO Sing-tin:

When? Before 30 May or after?

Project Director, AA:

They had been providing air-conditioning in the terminal building right from about mid-February.

Hon Edward HO Sing-tin:

Can you just answer the question. When was it completed, the testing and commissioning?

Project Director, AA:

I can't remember the date. I would have to look it up.

Hon Edward HO Sing-tin:

You will have to give us the date.

Hon Margaret NG:

Madam Chairman, I think when Mr OAKERVEE was before this Committee on the last occasion we had the impression that handing over from Project to AMD, signing off, meant that whatever was handed over was in a state of readiness, that it was ready to be used. Now of course subsequently we find that it is different. Madam Chairman, we can look at the transcript before this Committee on the 15th. On page 6, somewhere in the middle, Madam

Chairman, Mr OAKERVEE told us:

"What the situation was, it started -- no, no, no, not at all. What the situation was that they had reached a state where they were ready for airport operational readiness and the system then came under the control and use of AMD."

I think that is why we had that understanding.

Project Director, AA:

I remember saying that.

Hon Margaret NG:

Is that still correct?

Project Director, AA:

I believe it is but I think we might be talking at cross purposes at the moment. You are believing that everything is finally finished, finally tested and commissioned, and there is nothing else to be done by the Project. That is not the case. They were accepted by the Operation Division as being operationally usable, with still outstanding works and in some cases outstanding tests to be undertaken and, in many cases, confidence trials, which did not start until after we opened the airport.

Chairman:

We are talking about operational readiness. I think that is the most important test. In fact as late as last week when you were giving evidence at the Commission of Inquiry you actually re-emphasised that point, that "All those items that were considered to be critical in regard to airport operational readiness I believe were on target."

Now, surely, that must mean that the items that are critical, that have to be ready by AOD, were ready. That is what you said. But they weren't. They weren't ready. Even if we refer back to Mr Edward HO's list, some of the items were not even handed over before AOD?

Project Director, AA:

Correct.

Chairman:

How do you reconcile the two?

Project Director, AA:

I think they were ready for operational readiness, as I said to the Commission. Chern HEED was by the side of me and agreed when I made that comment in the Commission. We were these together.

Chairman:

In spite of the fact that you had so many problems with them?

Project Director, AA:

Yes. He had the list of the outstanding works and knew what was to be done and his Maintenance Department knew what was to be done.

Hon Margaret NG:

Madam Chairman, I think that if we were to look at what Mr OAKERVEE said on Page 6 of our own transcript, after the sentence that I have just read out, he went on to say:

"If there is work to be done by the contractors, whether they be defects or additional works, obviously we would instruct them on the advice of the requirements of AMD."

So it is very clear that subsequent works are of the kind of defects and additional works. It is quite a different scenario from they are usable but there is further work to be done. That is why we thought that that is wonderful. We now have a handover day. Before handover day, your responsibility. After handover day, AMD have a responsibility. But we now find that it is not that way at all.

Project Director, AA:

But with any of these certificates, forgive me, Madam Chairman, it is a usual practice industry-wide, never mind the peculiarities with the airport, that the defects and outstanding works are listed with the certificate.

Chairman:

I think you are digressing again. What we are talking about is the state of the items on AOD, whether they are operationally ready. Should there be defects or additional requirements made of them, of course you can do it in addition to what has actually been done. What we are talking about is at the point of opening what condition are these items at?

Project Director, AA:

Just to try and avoid as much misunderstanding between us as possible, I never used the word "additional", I used the word "outstanding", and it is outstanding works that are listed and agreed. Where these were handed over, they were all in an operational state that was accepted by AMD.

Dr Hon Raymond HO Chung-tai:

Just one quick point, Mr OAKERVEE. I would like to know the exact meaning of the fourth column of the same chart on the same table - date ready for AOR? What does it mean, ready for AOR? In some cases, even contract 302, the largest building contract, the date is the same as the date required for AOR. This applies to several contracts on the same page. If you take another example, contract 370, aircraft loading bridges, the two dates again are the same. The date required for AOR and the date ready for AOR are exactly the same but the handover certificate was issued on 23 July 1998. On the right-hand side column it says that all bridges were substantially complete and tested by end April. The tests were not completed until the end of April. How come these bridges were ready for AOR on 30 March?

Project Director, AA:

There were sufficient bridges there ready for starting training at the end of March.

Dr Hon Raymond HO Chung-tai:

This was referring to training rather than the tests were completed?

Project Director, AA:

That's right.

Dr Hon Raymond HO Chung-tai:

Is that how you define readiness for AOR? Without tests?

Project Director, AA:

On that particular one concerning airbridges, I believe.

Dr Hon Raymond HO Chung-tai:

What about the others?

Chairman:

Sorry. Just on the bridges. Even on the bridges, never mind the training, the last sentence which the Vice-Chairman has read out from that extract, from the comments, "The bridges could not be fully tested until used by aircraft", that is, post-AOD. It means in fact that the bridges were not fully tested before AOD, wouldn't you agree with that?

Project Director, AA:

They couldn't be. This is what I was trying to explain to you earlier on, and it is difficult when you are generalising. All the confidence trials for all the equipment start after the opening of the airport when it is in operational use. There are confidence trials going on out there on all things. This applied to the baggage handling system.

Chairman:

What about the SATs? What about the Site Acceptance Tests?

Project Director, AA:

They still don't give you confidence trials because they are not under stress.

Chairman:

We are not just talking about one trial. We are talking about a series of tests. If they have not been tested, I take it to mean that they have not been tested the way they should have been tested before the live situation? Can you confirm that?

Project Director, AA:

No. It may have been the case in some issues. I mean FIDS --

Chairman:

Let's talk about the bridges?

Project Director, AA:

The bridges were tested one by one but they could not be tested until there was an aircraft alongside them. You will remember we had only had 3 aircraft - I think it was 3 - in the trials previously.

Dr Hon Raymond HO Chung-tai:

If I may ask, Madam Chairman, the date put down here for AOR was 30 March but in fact the tests were not substantially completed and tested by the end of April. Does that mean that all the dates given in the fourth column are the dates for readiness but that does not really cater for any sort of testing? Testing is not a factor included in the consideration for this column, is that right? Just availability?

Project Director, AA:

Availability, yes.

Dr Hon Raymond HO Chung-tai:

No test?

Project Director, AA:

Testing would have been on some, but it doesn't necessarily mean it is 100 per cent complete, no. The handover dates are when the tests should have been complete.

Hon Edward HO Sing-tin:

So the date ready for AOR, this remark which covers all the dates below, that is only for availability, is that what you are saying?

Project Director, AA:

That was availability for use. In some cases, all the tests had been completed. In others, they hadn't. It differs from one to the other.

Hon Edward HO Sing-tin:

I would say that is a very loose definition for "ready for AOR". In many of the points that you have made previously, you refer to that the systems are ready for AOR, and this and that. Now you are saying this only referred to being available, not having been fully tested, and so on. Is that what you are trying to convey to us now?

Project Director, AA:

I think so but it is a dangerous thing generalising on all of them. Each is a specific case.

Chairman:

Mr OAKERVEE, you have to tell us, as a point of principle. It can't be a shifting goal post. As a point of principle, what does it include? When you say "AOR", does it or does it not include testing and commissioning?

Hon Edward HO Sing-tin:

Ready for AOR?

Project Director, AA:

They were installed and found to be working. Some tests couldn't be completed by those dates for a variety of reasons and were done by the handover date.

Chairman:

In other words, as far as Project is concerned, you are quite happy that certain things are just installed, physically seen to be there and, if you can conduct the tests, so be it. If you can't conduct the tests, so be it. Is that the attitude that Project takes?

Project Director, AA:

No. It is not the attitude that Project takes.

Chairman:

So what is the attitude, Mr OAKERVEE?

Project Director, AA:

The attitude that Project takes is that it would be tested if it could have been tested. If there were cases where it wasn't tested, it was certainly done before handover date.

Hon Edward HO Sing-tin:

Chairman, if it cannot be tested, would Project still say they are ready for AOR? I think that is what we want to get at? Is it 'yes' or 'no' in a way?

Project Director, AA:

They were able to be used.

Chairman:

How do you establish that if you haven't tested it?

Project Director, AA:

There had been basic tests done to see if they were working. The tests that we undertook were very exhaustive tests and took time, and not all of them were --

Chairman:

This is exactly the point, Mr OAKERVEE. This is exactly what the CPM has been saying. Because there hasn't been enough time allowed for the whole process to take place, you have a situation where, as far as you are concerned, so long as the physical thing is done, that is done. It is not done. It is the testing and commissioning and the training and the trials and that is what has got concertinaed, would you agree with that?

Project Director, AA:

I never have disagreed with that.

Chairman:

In fact, as far as you are concerned, you are putting the physical installation there and doing the best you can for testing but, if you can't and the deadline is AOD, if you can't, then forget the testing, is that it?

Project Director, AA:

Not at all.

Chairman:

If your construction schedule is so late that you don't have enough time to conduct all the tests that should be conducted, then, so long as it moves, let it be, is that it?

Project Director, AA:

Not at all. If I can suggest something, as I am interpreting what you are saying -- and please correct me if I am misinterpreting you.

Chairman:

I was interpreting what you were saying, Mr OAKERVEE.

Project Director, AA:

You are trying to paint a picture then, or I have tried to paint a picture I believe that you are saying, whereby Project Division didn't care and it didn't really matter whether they had done things or not. That is far from the case. They didn't do anything without the full knowledge of everybody else. That is how the CPM is able to write that report, because NAPCO and his staff were involved with us as well as AMD and everybody else within the Authority. All these decisions were known decisions.

Chairman:

We are again diverting. I think we are talking about Project. We are talking about the policy of Project?

Project Director, AA:

There is no policy of Project. There is a policy of the Airport Authority.

Hon Edward HO Sing-tin:

Perhaps we should put it in another way, which is the responsibility of Project. Just take a major system like air-conditioning as an example, would it be within the responsibility of Project to ensure that it would be completed in time so that there is sufficient time for testing and commissioning when it is handed over to the end-user so that at least they know that most of the bugs are gone. There could be some outstanding matters but mainly they have been tested and commissioning had gone through. Is that what the Project Division's responsibility should be?

Project Director, AA:

That is right. Where items of equipment were handed over prior to that, it was done with the full knowledge of the other party and the other party --

Hon Edward HO Sing-tin:

That is not an answer to my question?

Project Director, AA:

With due respect, I believe it is.

Hon Edward HO Sing-tin:

As Project Manager, you have to ensure that these contracts are finished in time?

Project Director, AA:

Correct.

Hon Edward HO Sing-tin:

With sufficient time for testing and commissioning. I think that is the responsibility?

Project Director, AA:

But where I failed in that respect that was made known and a decision was made as to whether they would take the equipment over or not.

Hon Edward HO Sing-tin:

So you do admit then that you have failed in many of these areas in that case?

Project Director, AA:

The programme wasn't met in many of these areas, yes, I do agree. The record is there. I have never tried to say anything different to that.

Chairman:

The programme failed in terms of testing, commissioning, trials and training and that was because you did not have enough time. When the physical works was handed over to you, you didn't have anymore time to complete all those things. You reflected that that was the situation. You were stuck with just the limited timing, so you had to forego some of the testing and commissioning and you reflected that to AA? Is that what you are saying?

Project Director, AA:

Within AA, we work together. We were aware of those items that were not tested and commissioned to the full extent or where we had a problem in them. The classic one is the access control system which we knew wasn't working.

Chairman:

There were quite a number of systems, right? FIDS, access control, and some of the ones we referred to just now, the airbridges, this, that, and the other. It is a combination of quite a lot of those systems, would you not say that?

Project Director, AA:

I think that is yet to be proven in some cases. What it was in others was that training had not been proved to be adequate or the individuals couldn't operate them properly.

Hon Edward HO Sing-tin:

Chairman, when all these contracts were late and Mr OAKERVEE said everybody knew about it, they didn't have any choice at that stage. Coming back to the projects, would he take responsibility for all these contracts being so late and being completed so very little time before airport opening?

Project Director, AA:

As I said last time as a general statement, as Head of Project Division, yes, of course, if anything comes about which has not been performed by Project Division or its contractors, the responsibility ultimately lies with me. I have never denied that at all.

主席：

劉慧卿議員，然後是蔡素玉議員。

Hon Emily LAU Wai-hing:

Madam Chairman, I would like to refer Mr OAKERVEE to Paper no. B77-2 in Volume V. It is a memo from Mr Chern HEED to you on 30 June 1998, a few days before AOD. Have you got that, Mr OAKERVEE?

Project Director, AA:

I am familiar with that memo.

Hon Emily LAU Wai-hing:

You are familiar? That is good. The subject is airport operational readiness, critical requirements, and he listed a number of items. At the end of that memo he actually said:

"Your urgent attention to the above works is requested. As you can appreciate, this is not a complete list of all actions required, but addresses the more significant outstanding items required for airport opening."

I am sure you have read the transcript of our discussion with Mr HEED and he actually went down this whole list to say what was ready and what was not ready. I think this is what Members were trying to ask you earlier and what we want to find out of course is where the responsibility lies. In your earlier answer to Mr Edward HO's question, you have fully accepted that it is your responsibility and your Division of course; but you, being the Head of the Project Division, should be responsible for these things if they were not ready on AOD?

Project Director, AA:

I take full responsibility save for the fact it is obviously with the contractors

as well, as to saying where is the fault or where is the blame. The responsibility is mine. Whether or not I could actually do anything about it is another issue.

Hon Emily LAU Wai-hing:

That is our next question, dereliction of duty. The fact that many of these things were late is your responsibility. I don't think we want to go down one by one because we have rehearsed it a number of times, but many of those things were not ready and not tested. You said it's your area, your responsibility. Would you also accept that you made some mistakes in not seeing these things through?

Project Director, AA:

Obviously, with something as complicated as the job we are in, I am certain I did make mistakes. I think on a large number of them the contractors were late in getting the works done and we were applying as much pressure as we could to bring them on line.

Hon Emily LAU Wai-hing:

But to no avail in the end, I guess?

Project Director, AA:

I don't think so. I think we did a remarkable job given the time available.

Hon Emily LAU Wai-hing:

You said you did a remarkable job given what we saw on AOD? Is that what you are saying?

Project Director, AA:

No, I'm not putting it in that context. You said did I do anything and to no avail. I am saying I think we and the contractors achieved an awful lot in a very short space of time in these areas where we were late.

Hon Emily LAU Wai-hing:

If I can just refer you to one more paper. This is going back to a promise

that you gave to the AA Board. If we can look at Volume III, Paper no. B29.

Chairman:

This is the Board meeting of the Airport Authority on 9 December 1997.

Hon Emily LAU Wai-hing:

Have you got that, Mr OAKERVEE? Paragraph 1.4 on Page 3. Because you were talking about opening the airport in April 98, we have the Secretary for the Treasury here:

"-- queried the extent to which confidence could be placed in the achievement of programme dates. He pointed out that in the recent past, there had been repeated slippage of committed delivery dates, including the issuing of the additional information which members had requested at the workshop held on 1 December."

Then he noted:

" -- that further slippage in some of the programme dates was still evident in the additional information."

Do you agree with that, first of all, that there had been all these slippages up to then?

Project Director, AA:

Yes.

Hon Emily LAU Wai-hing:

Then if we can turn to your comments on Page 6 Paragraph 1.18.

Project Director, AA:

My comments to that are in Paragraph 1.5.

Hon Emily LAU Wai-hing:

Sorry, I know, but let's go to Page 6 first. You can come back to that if you want. I want to point out a promise that you gave to the AA Board. Have you got that? At Paragraph 1.18 in the middle of that paragraph:

"Mr OAKERVEE say that he was confident that the works could be completed substantially by 15 February 1998 to enable the AMD and the business partners to proceed with their follow-on work."

Now, with the benefit of hindsight, how many of those works were completed on 15 February?

Project Director, AA:

That was correct because it is in the context of the temporary occupation permit. The temporary occupation permit, the final one, was issued on 14 February and, out of 30-odd tenants who submitted plans that were ready to go to work, 20-odd started work at that time.

Chairman:

I am sorry, Mr OAKERVEE. Could you read that paragraph again?

Hon Edward HO Sing-tin:

The previous paragraph.

Chairman:

I do not believe that refers to the occupation permit. It refers to the operational readiness of the airport for an April 1998 opening date. That includes all the works, all the items that are under your area of responsibility, including systems. It is not the OP. It is not physical works. It is everything?

Project Director, AA:

Sorry, Madam Chairman. Perhaps you could advise me where it says "operational readiness"?

Chairman:

Well, the sentence in Paragraph 1.17, the last sentence:

"He invited Mr OAKERVEE, Mr HEED and the Chief Executive Officer to make a concluding statement on how confident they felt about meeting the targeted April 1998 opening date."

It is not about one specific issue of occupational permit. It is an overall concluding assessment as to how ready you are to open in April 1998.

Project Director, AA:

With respect, madam Chairman, I don't agree with you. It has got in Paragraph 1.18 substantial completion by 15 February to enable the business partners to proceed with their follow-on works. That was triggered by the occupation permit which was got on 14 February or 16 February, rather.

Chairman:

You mean it doesn't include the systems?

Project Director, AA:

No. It is not systems related. Systems are still going on.

Chairman:

So what is the meaning of that sentence I just read to you?

Project Director, AA:

The whole discussion was about enabling the business partners to follow on with their works.

Chairman:

The final words was an assessment that the Chairman had invited from you, Mr HEED, and the CEO about the readiness that you would be in for an April opening?

Project Director, AA:

Yes, but that was the key point to it. If we had failed on the substantial completion in February we wouldn't --

Chairman:

No. The conclusion in the last sentence:

"All in all, he felt that the Project Team would be able to achieve the targeted April airport opening date."

Project Director, AA:

I did in December.

Chairman:

Exactly. So we are talking about the entire thing. Not just the OP. It includes the systems as well?

Project Director, AA:

In April, yes, you are right, but 'in February' was the key point.

Hon Emily LAU Wai-hing:

What you are telling this Committee is once they decided to move the opening date to July then everything slipped? This promise that you gave to the AA Board about 15 April completely slipped? Everybody just relaxed?

Project Director, AA:

Not everybody, because we managed to hit the February date, as was suggested. But there was a loss of --

Hon Emily LAU Wai-hing:

Momentum?

Project Director, AA:

-- in some of them, especially in some of the systems contractors, and also the business partners didn't come along on the dates that were indicated as originally thought to be.

Hon Emily LAU Wai-hing:

What I think has happened is that not only you did not meet this date but even up to 30 June, Mr HEED was still writing that memo to you, asking for help. That is why the Secretary for the Treasury was right in pointing out all these slippages and that's why he had no confidence?

Project Director, AA:

I think what happened in December and what happened on 30 June referred to 2 different issues.

Hon Emily LAU Wai-hing:

It is all slippages.

Project Director, AA:

It is all slippages but slippages at different points in time and of a different magnitude.

Hon Emily LAU Wai-hing:

You agree that you should be held responsible?

Project Director, AA:

Whilst I haven't got Mr HEED's memo with his remarks on the 30 June memo, a lot of those he actually found were done, I think you will find, with the exception of that work in the GTC.

Hon Emily LAU Wai-hing:

If you really want to - I don't think we have all that time - I have his transcript right in front of me. He went down the list with us. Many of those

things were not done?

Project Director, AA:

Well, he walked around with me and told me what had been done and what hadn't been done.

Hon Emily LAU Wai-hing:

Anyway, I don't think we want to read through all the points Mr HEED gave to us but he said most of the points were not done.

Chairman:

We covered that point already. We also heard from Mr OAKERVEE. 蔡素玉議員。

Hon CHOY So-yuk:

I would like to refer to Volume VIII Paper no. B174. That is a letter written by the witness to the Fire Services Department undertaking some of the whole list of defects which were there at that time. In the attachment to the letter, the witness had written down a list of items which he undertook to rectify.

At item number 1, the defects noted in the enclosed report contained in section 2, which was the whole list of defects given by the Fire Services Department, saying here will be rectified. Then at item 2, there were a series of important fire safety measures, such as the system integration test of Fire Services, installation of PA system, door access control systems, smoke extraction system, etc. Here he also says that obviously outstanding defects will be rectified.

Now, Mr OAKERVEE is not a professional Fire Services person. I would like to ask since all these are very important items, human lives are at stake, hundreds of billion dollars are at stake and the name of Hong Kong is at stake, how could you, without professional know-how, undertake to say that the airport should be ready for opening when such systems had not been further rectified and checked by the Fire Services Department?

Project Director, AA:

The Fire Services Department together with my engineers went through on inspections and highlighted these items in detail. As it says there, "together my engineers and the contractors". We undertook to complete these works that they specifically highlighted by these dates and, on that basis, the Fire Services Department was prepared to process. The Fire Services Department contented themselves that the work could be done and was understood with the licensed fire contractor. I was the signatory for the Authority actually making the undertaking. To the best of my knowledge, all these points were achieved and the Fire Services Department had in fact inspected them all again.

Hon CHOY So-yuk:

Referring back to our previous long discussion about the system being there and whether they are working properly is another story. Actually, most of these systems were there but at that point when your letter was written they were not functioning properly. How could you undertake to say that they would all be safe? Some of them actually are very important. Say, for example, 3.9, smoke and ventilation control will be retested. Obviously, it was not working at that time. These are important items for fire safety measures. How can it be, using an undertaking letter, saying that it would be safe enough?

Project Director, AA:

As I said earlier, these were the items that were highlighted by the FSD and they demanded a letter of undertaking from us.

Chairman:

Were they completed according to the dates set down?

Project Director, AA:

To the best of my knowledge, they were, Madam Chairman. As they were completed, the FSD were notified.

Hon Edward HO Sing-tin:

Obviously, these outstanding items were necessary, otherwise they wouldn't

have been specified in the Fire Service drawings. Quite a number of these things were supposed to be done after AOD. In fact, 3.8, fire rated enclosure of a smoke extraction, etc, was to be completed on 30 December of this year. The question is whether the Fire Services Department actually gave too much concession because of the fact that you had to open the airport?

Project Director, AA:

My opinion was they didn't give us any concession. They worked very well with the AA but they certainly didn't compromise any of their normal standards I have experienced before.

Hon Edward HO Sing-tin:

But why were these allowed to delay beyond --

Chairman:

I think that is a question that belongs to the Fire Services Department. Maybe we can direct that question to them. Obviously Mr OAKERVEE has successfully won those concessions from the FSD. So let's leave it at that, shall we? Miss Margaret NG

Hon Margaret NG:

Perhaps Mr OAKERVEE will help us clarify a point about the access control system. Mr OAKERVEE, we have seen the evidence of Mr Sidney CHAU. He told us that he expected to be handed over a fully tested system about those doors with all the locks on the doors and, in the event, because they didn't work, he had to station his staff, individual human beings, before those doors. Can you explain to us whether the system of doors was tested, the locks were tested and, if so, why didn't they work on the AOD?

Project Director, AA:

The access control system is a saga in its own, right, with several SAT tests having been started and aborted during the testing period. We originally had the system working in different zones but then it started to fail. One of the main problems we had was with the workers on the some 1,550 doors - if my memory serves me right - involved here, of which 149 are landside-airside connections.

The problem we had was the work-force, mainly contractors' staff who were involved in the fit-out of the tenant areas, kept violating those doors and breaking through them and damaging them.

Hon Margaret NG:

Perhaps Mr OAKERVEE wouldn't mind if I stop him here because we know this story. Perhaps you can clarify first whether you had completely tested all the locks prior to AOD? Are you saying that you have done that at one stage?

Project Director, AA:

We never got the system to the environment whereby the system could be controlled without hundreds of violations all the time. The problem was the violations were screening the problems we had in other areas. Even after we opened the airport and they still continued to try and do that, it was some time before we actually got an environment where we could test it properly, because the workers in the airport, the airline staff, and possibly our own staff, were again violating these doors --

Hon Margaret NG:

You are saying there wasn't ever a time when the whole thing was tested and found to be fine?

Project Director, AA:

No parts were tested and this was an area where we knew we had problems and we made the contingency plan that we would have guards on the doors.

Hon Margaret NG:

When did you tell Mr CHAU that this was the case? He seems to have been caught by surprise? Did you tell him?

Project Director, AA:

I didn't personally tell him because Mr CHAU doesn't work with me. But that was known before airport opening and arrangements were being made before

airport opening.

Hon Margaret NG:

Did you hand over the system?

Project Director, AA:

It was handed over only in the sense that AMD took control of the doors but there was no access control system functioning properly.

Hon Margaret NG:

Was it handed over in the sense of the airport opening and operational readiness?

Project Director, AA:

No. Not in the same sense. They took it over because it was a necessity to take it over.

Hon Margaret NG:

Was it indicated anywhere that it was airport operational readiness in a different sense? You said "not in the same sense" so I assumed that there are many senses?

Project Director, AA:

In the listing -- you have got it there and I haven't got the list in front of me, but I am certain it is shown under the AOR list.

Hon Margaret NG:

I see there was a difference in this table. But when you handed it over, did you tell AMD? I suppose you handed it over to AMD, right?

Project Director, AA:

Yes.

Hon Margaret NG:

Did you then tell them that "Look, this is not fully tested. I really don't know how many of these locks work and how many of them don't work"?

Project Director, AA:

Yes, they were aware of that.

Hon Margaret NG:

Would you be surprised in that case that Mr CHAU, who was supposed after all to take over the guarding of these doors, was surprised?

Project Director, AA:

I don't know what the arrangement was between AMD and Sydney CHAU who comes under AMD.

Chairman:

No, he doesn't.

Hon Margaret NG:

You say you handed over the system with the note that you hadn't tested it. What did you expect AMD to do?

Project Director, AA:

We had already arranged within the Authority, not within Project, that the contingency plan would be we man each door. That was also applied to the air-bridges doors.

Chairman:

Mr OAKERVEE, let's get the picture straight. In paper no. B197 which Mr Edward HO referred to, Contract 396 is the access control and detection. You set 15 June as the date required for AOR. There was no date given for readiness for AOR. There is nothing under handover certificate and, under

comments and reasons for slippage, you say here "system complete, ready for handover to AVSECO on 12 June". Now, from what we heard from Mr CHAU, it was never ready for handover on 12 June. He never got it on 12 June. All he did was that he had to post an additional 300 people because the ACS was not working. This is not correct, is it?

Project Director, AA:

12 June is correct, but not in the context that it is being --

Chairman:

It is not correct because it is not ready for handover?

Project Director, AA:

But Mr CHAU took over the control of security on 12 June.

Chairman:

This was Contract number 396, access control and detection. It is not correct to say "system complete, ready for handover to AVSECO on 12 June", is it?

Hon Margaret NG:

I hear Mr OAKERVEE saying that it was handed over anyway on 12 June. That doesn't mean that it was ready for handing over on that day. It was handed over even though it wasn't ready, it seems. Would that be correct?

Project Director, AA:

That is a correct statement and that is why in the 2 columns there is nothing, there was no handover certificate given and it wasn't ready yet for AOR.

Chairman:

In fact, to this day it still has not been handed over, has it?

Project Director, AA:

No, it hasn't.

Hon Margaret NG:

I don't think I can take it further, Madam Chairman.

主席：

劉江華議員。

劉江華議員：

我想跟進此點。柯家威先生剛才指出，他們未能成功測試進出監控系統、控制當時的情況，以及發揮該系統的功能。我想再次證實，柯家威先生是否仍承認剛才所述的3種情況？

Project Director, AA:

Yes, I confirm that.

劉江華議員：

好。請參閱第I冊的A47。於7月4日，即機場開幕前兩天，機管局向機策會提交的一份文件。柯家威先生，請參閱第17段第3行，其內容如下：“The access control system stability has improved and the system is now on line. Thus, guards have now been posted in the PTB to avoid any further damage of vandalism”。該文件的第一句與你剛才所述的情況完全不同。你曾向機策會表示，進出監控系統並沒有問題，“It's on line”。為何文件的寫法會有如此出入？這完全是錯誤的信息。

Project Director, AA:

I never gave this information to ADSCOM. I never drafted this paragraph. There was a period of time just before we did get the airbridge doors, as we thought, stable, but they weren't. As I said, there were many false starts and tests that we thought would be OK and then they failed again.

Chairman:

Can we confirm that all these status reports which go to ADSCOM would

actually be circulated internally within the AA management first before they were submitted?

Project Director, AA:

Normally that is correct, Madam Chairman.

Chairman:

Was this the case with this paper?

Project Director, AA:

No. This paper has been the subject of a lot of discussion already. I didn't have any involvement in Paragraph 17 when the draft came round.

Chairman:

Are you now saying you don't agree with what the paper is saying? This is not an accurate report to ADSCOM?

Project Director, AA:

No, it's not. The stability had improved but it certainly wasn't there at this point in time.

劉江華議員：

柯家威先生，你尚未回答主席的問題，亦即是我的問題。這句說話明顯地給予政府一個感覺，就是系統已沒有問題，“it's on line”。但你剛才所說的情況卻非如此。事實上，我們曾詢問“AMD”和周先生，他們表示系統根本尚未裝妥。從現在回看所報告的狀況來，你認為這句說話是否錯誤的？

Project Director, AA:

I believe it is wrong, yes.

劉江華議員：

你看到文內所載，指派護衛站崗主要是為了防止系統再被損毀。其

實，這只是其中的一部分。另一個主要的原因是系統出現問題，故須指派300人站崗。你是否同意這句說話亦有所偏差？

Project Director, AA:

I think that the sentence is right. As written, that is why the guards were put there initially for, but the guards had to be increased actually to take control over all the doors.

劉江華議員：

柯家威先生，你承認這句話是錯誤的。那麼，你會否認為這會產生一個非常嚴重的後果，就是令政府以為所有工程均已完成，但事實卻非如此？

Project Director, AA:

I don't think anybody would think it was ready. We only improved stability and we needed to put guards on. But it is not a very well written sentence and it doesn't reflect the situation properly.

劉江華議員：

柯家威先生，請你再參閱另一個可能是錯誤的信息。同一文件的第13段。

主席：

是否關於另一個“system”？

劉江華議員：

是關於另一個“system”的。

主席：

我們先就“ACS”進行討論。

Chairman:

Mr OAKERVEE, can you turn to Paper no. B67 in Volume III, which is your weekly status report, and that report was signed by yourself and also the CEO.

Project Director, AA:

Yes, Madam Chairman.

Chairman:

Under contract 396, access control, does it actually say anywhere that in fact the system is not ready for AOD?

Project Director, AA:

No, but it indicates considerable work has been done on it, Madam Chairman.

Chairman:

It certainly did not say that it was not performing satisfactorily, did it?

Project Director, AA:

It certainly says 50 per cent of the EM locks need to be repaired.

Chairman:

Yes, but you also say "latest software build loaded on site and the head-end processor has been operating satisfactorily"?

Project Director, AA:

That was correct.

Chairman:

In fact, you used "satisfactorily" twice:

"Permit production equipment for permanent passes working satisfactorily
- temporary permit production system has been operational from 13 June
98"

So on and so forth, without qualifying in any way to say that the system is not in
fact AOR ready. It wasn't AOR ready, was it?

Project Director, AA:

I don't think it suggests that it is anywhere there. I think we have to take
these reports as they are. They were very sharp bullet points that we discussed at
a meeting with the Chairman every week.

Chairman:

You mean here it is quite clear that it is not AOR ready?

Project Director, AA:

I believe so.

Chairman:

How does one draw the conclusion when you are actually saying that certain
things are already operating satisfactorily? In fact, the real situation was that it
was not performing, was it? You had to post guards at the critical doors to make
sure that security was upheld?

Project Director, AA:

Correct.

Chairman:

Why didn't you say so?

Project Director, AA:

Because we hadn't --

Chairman:

But the system was not performing. You qualify it, I know. You are saying several things needed repair --

Project Director, AA:

On 5 July, with respect, Madam Chairman, the guards were there.

Chairman:

You are not in charge of the guards, Mr OAKERVEE, you are in charge of the system, and we expect you to report faithfully on the system?

Project Director, AA:

And I believe I was.

Chairman:

But where does it say that it was not really ready for AOD, which it was not, was it?

Project Director, AA:

No, it wasn't. And that was known. It was a question of what progress we were making on it.

Chairman:

Progress on 5 July? You were still making progress on 5 July hoping that on 6 July it would be ready?

Project Director, AA:

No.

Chairman:

Where does it say it was not ready?

Project Director, AA:

This is a report by exception. It wasn't felt necessary to write that because nowhere did it say it was ready.

Chairman:

On the one hand, you have this where you have no indication whatsoever that the system was not ready for AOD. Coupled with that, you had the report, which Mr LAU read to us earlier, reporting to ADSCOM that it was ready. How would people draw the conclusion, Mr OAKERVEE, and who should we blame for that?

Project Director, AA:

This report didn't go to ADSCOM.

Chairman:

The other one did?

Project Director, AA:

The other one did and I agree that that has got short-comings in the way it's been written.

Chairman:

If you had actually seen it - and we don't know whether you have seen it or not - but if you had been given the opportunity to rewrite it, how would you rewrite it? The other one? That it was not ready, was it?

Project Director, AA:

That's what you would have to put.

Chairman:

Why didn't you put it anyway?

Project Director, AA:

I don't think I saw that report, to be quite honest.

Chairman:

Why didn't you put it in the status report?

Project Director, AA:

Because the status report is showing the outstanding works that have to be done, in the knowledge that it wasn't going to be ready.

Hon Margaret NG:

Madam Chairman, this is a bit distressing. All along we have relied on the ADSCOM papers as a basis of inferring what knowledge ADSCOM had at that time. Now you are telling us that these papers are not very reliable. For example, for something in your area you did not even have the opportunity of really looking at them or had a hand in drafting them. That is rather fundamental and devastating. Is that what you are telling us?

Project Director, AA:

No. That paper is an exception to the rule.

Hon Margaret NG:

It is signed Airport Authority, so it is an AA paper, isn't it?

Project Director, AA:

It is.

Hon Margaret NG:

Before it was handed to ADSCOM, all the heads, the directors, would have looked at it, as far as their departments are concerned?

Project Director, AA:

Yes.

Hon Margaret NG:

You take your ADSCOM papers very seriously?

Project Director, AA:

We do indeed.

Hon Margaret NG:

And you want to make sure that the information in it is correct?

Project Director, AA:

Correct.

Hon Margaret NG:

So why are you telling us that this very important one, which was very close to AOD, wasn't correct or wasn't reliable, because you can't even recall having seen it, and you now say that it is not accurate? Can you explain?

Project Director, AA:

I can't explain why I didn't see that paper, no.

Hon Margaret NG:

The special thing that you were trying to tell us is that it wasn't discussed? That is what you are trying to tell us?

Project Director, AA:

It wasn't with me.

Hon Margaret NG:

But my question is its preparation rather than its discussion?

Project Director, AA:

Again, as Head of Project Division, I take responsibility for not having seen it.

Hon Margaret NG:

Of course we are here to see who was responsible but, at the same time, we also want to find out about the facts, what went on. Could you try again and tell us why something so important, so close to AOD, could have been unreliable?

Project Director, AA:

I can't, I'm afraid.

Hon Margaret NG:

What care do you normally take with papers intended for ADSCOM?

Project Director, AA:

Normally, there is a draft circulated by the person who coordinates them and I sign off those areas that are the responsibility of the Project Division.

Hon Margaret NG:

Did you sign off this one?

Project Director, AA:

I don't recall doing it on this one.

Hon Margaret NG:

Would you have a record if you had signed it off? Would your own files show whether or not you had signed it off?

Project Director, AA:

I don't know that it would. I don't know that it would. It is a matter of drafts.

Hon Margaret NG:

I wonder if Mr OAKERVEE could be asked to look up his records and write to inform us whether he had signed off this particular one?

Project Director, AA:

Yes, I will, and I will investigate it through from the person who actually issues the papers.

Chairman:

I think cumulatively what we have in fact gathered, in addition to this ACS system, was of course the other bit of information regarding reliability and availability of FIDS. That is also a very, very important area. Another area which I think Mr LAU will probably come to a little later is the communication system. Again, there we find certain discrepancies, let's put it this way, which I think we will need to address later on in the afternoon. Would you like to go to that area now? Perhaps it is an opportune moment to go to that area now?

劉江華議員：

主席，我會於稍後提出有關電話系統的問題。在此之前，既然柯家威先生認為這份文件有關進出監控系統部分的寫法是錯誤的，便應回去查核清楚，看看究竟是整個程序哪個環節出錯。希望他能以書面向委員會作出回覆。此外，同一文件的第13段第5行，不知此處的寫法是否錯誤，就是“more than 95% of the telephone sets have now been installed in the PTB”？

Chairman:

This is Paper no. A47.

劉江華議員：

同一文件，在A47。

Chairman:

This is Paper no. A47, ADSCOM paper number 36/98, 4 July.

劉江華議員：

這文件向機策會滙報，超過95%的電話已裝置妥當。柯家威先生，你曾向我們提供補充資料，但我們卻無法從中證明這百分比能否達到。為何這份文件會有如此說法？

Project Director, AA:

I am sorry? Why was the paper written this way?

主席：

請告訴我們你剛才所說的“number”。

劉江華議員：

文件A47，第13段。

主席：

另外一份是第XI冊文件B305。

劉江華議員：

文件B304及B305的補充資料。

Project Director, AA:

I put this in the letter that I sent you, Madam Chairman.

Chairman:

I think the question that Mr LAU is putting to you is that the figures that you put here don't seem to tally with the reply that you gave us, even in that letter?

Project Director, AA:

I thought it did cover the 95 per cent.

劉江華議員：

這句說話是否亦屬錯誤？

Project Director, AA:

I thought we clarified that in the letter that we sent you. If I could just look at the letter.

劉江華議員：

你於信中所澄清的只是有關80%那個數字，我會於稍後再向你問及此事。請你先就A47中95%那個數字作出澄清。

Chairman:

Can you in fact look at the table first and see how that is reconciled with the Paper no. A47 status report to ADSCOM?

Project Director, AA:

I can't, on the table. I can't reconcile it on the table. The 95 per cent was related to block wiring, not on telephones installed.

Chairman:

You are telling us that in fact here again it changed in the course of writing, that 95 per cent of block wiring you just said became telephone sets in the report?

Project Director, AA:

Right.

Chairman:

Then we are really very worried about the ADSCOM reports. What can we take as accurate and what cannot?

Project Director, AA:

I share your concern, Madam Chairman.

Hon Margaret NG:

Isn't it a little too late, Madam Chairman, if I may remark.

劉江華議員：

柯家威先生，請你證實這是否錯誤？

Project Director, AA:

The statement is wrong. It isn't my statement actually though. I am trying to reconcile somebody else's and I can't.

劉江華議員：

好。我想向你多問一句，究竟這是否亦屬錯誤？同是機策會文件A47，第13段第2行載明：“All requests received prior to 24 June have been completed”。如你先前所述，倘商戶於6月24日之前辦理申請，便沒有問題。這份文件亦清楚指出，倘申請真的是於6月24日之前提交，便已全部辦妥。這句說話是否錯誤？

Project Director, AA:

I think it was established that the statement was in doubt when I was at the last meeting and the question of Cathay Pacific phones was raised. As I told this Select Committee, I had been alerted to that by another question that had been asked - I think it was of Dr TOWNSEND - in the Commission and I have it

checked out. When it was checked out, the statements that were made, I think by Ms Emily LAU, were in fact perfectly correct, that Cathay Pacific had not received all their phones, they had only got about half their phones. The report that I had previously was that all phones had been completed by the 24th.

Chairman:

Where did you get your report?

Project Director, AA:

That came from the IT Division.

劉江華議員：

柯家威先生，你是否從黎永昌先生處得悉，即使商戶於6月24日之前辦理申請，仍無法達致此水平？你是否知悉情況如此？

Project Director, AA:

I didn't realise that.

劉江華議員：

你不知悉？

Project Director, AA:

Other than the fact that they hadn't finished their tenant fit-out.

Chairman:

Before we go to Mr Raymond LAI, I am sure that Mr LAU will be pointing you to some of the things that Mr Raymond LAI has actually told the Select Committee. It was quite interesting what you said just now, that you got the reports from IT. Don't you have a Project Manager in charge of block wiring, who is directly responsible for that under you?

Project Director, AA:

Yes.

Chairman:

So why would you be getting that from IT?

Project Director, AA:

Because IT during the month of June started to share the load with us and they took over the block wiring and the jumpering of the telephones.

Chairman:

But it is your PM who was in fact responsible, was it not?

Project Director, AA:

Technically, yes.

Chairman:

So he was in fact the man who was coordinating all the information, regardless of where it was coming from, surely?

Project Director, AA:

He did, but he got his information from IT and he was under the impression that all had been completed.

Chairman:

I don't think this Select Committee really cares whether he gets it from the contractors, or whether it is IT, or wherever. Although we knew you got extra help, you were in fact responsible for providing the block wiring to the tenants. Your Division should have been the Division responsible for obtaining accurate information, whether it comes from IT or anywhere else, surely?

Project Director, AA:

Technically, that is correct.

Chairman:

Technically or otherwise, either it is or it is not?

Project Director, AA:

It is correct but the information I got was incorrect.

Chairman:

Isn't it your duty or your man's duty, as Project Manager, to ascertain that the information is correct before you pass it on?

Project Director, AA:

Yes, but I don't think he had any reason to doubt the source he got it from actually. But you are correct.

Chairman:

It is no good telling us afterwards that the information is incorrect because you got it from an incorrect source, is it? There is no good telling ADSCOM that now?

Project Director, AA:

No, but it was done in good faith. That is the whole point.

主席：

劉江華議員。

劉江華議員：

主席，我想從柯家威先生口中瞭解其感受。據你剛才所述，部分工程尚未完成，但某些提交予機策會的資料卻指系統沒有問題。作為工程部的主任，你現在有何感想？

Project Director, AA:

As I said earlier, you are talking about one specific paper that I didn't see before it went to ADSCOM and I wasn't at the ADSCOM meeting that it was discussed at. Obviously, in hindsight, I don't feel very happy about it and maybe, had I been at the ADSCOM meeting, I could have sorted things out.

劉江華議員：

其實，真正感到不開心的應否是政府出席“ADSCOM”的人士？的而且確，該系統尚有不善之處，但他們所接獲的信息卻指系統完全沒有問題。

主席：

“That's more like a comment”。這只是表達了意見，你倒不如向他提問吧？

劉江華議員：

那麼，讓我繼續提問。其實，我對此只是感到有點奇怪而已。我想再次翻看你所擬備的報告文件B67，即每周報告有關電話系統的部分，當中載有一個你所寫的數字。關於系統C383，“system is operational and connection continuing with approximately 80% of the phones now achieved”。此處指出，8成電話並沒有問題。我們上次向你問及此事時，你表示須回去先行查核。其後，你提交文件B304及B305，說明如何計算出8成這個數字。但我想請柯家威先生解釋，你於文件B304計算所得的數字，即114加665，相等於8成。但當中有114個電話，雖然已有外殼，但連聽筒也沒有。你為何將其納入8成沒有問題的電話中計算？

主席：

“Mr OAKERVEE”。

劉江華議員：

這些電話連聽筒也沒有，你怎可將之當作“operational”？

Project Director, AA:

The whole total comes out to 974, doesn't it?

劉江華議員：

是，這是由你計算出來的。

Project Director, AA:

I have got a calculation, 114 plus 665, over 974, equals 80 per cent, roughly and approximately.

劉江華議員：

但有關114那個數字，請參看圖表上所載：“port test OK but without phone”。你亦將之納入可以運作的數字計算。難道連沒有聽筒的電話也可運作？

Project Director, AA:

I think the other thing you have to recognise is the surveys were done on the same day by 2 different departments. AMD did a survey and IT did a survey. They had the same figures. AMD had the IT survey and they went through. A lot of the phones were stolen in fact. Over the few days around this period of time we had 156 telephones reported to the police being stolen. These were working like other things. But the actual ports were working. That is where the 80 per cent comes from.

劉江華議員：

主席，他尚未回答我的問題。我於稍後會再就“IT”部分提問，“IT”方面有另一個數字。但從你的角度來看，8成電話是可以運作的。這是你向董事會表示的，8成電話可以運作。為何你將這些完全沒有聽筒的電話當作可以運作？你仍未回答我這問題。

Project Director, AA:

But all the phones were there at one point. All the ports were there and the phones were put in. The phones were being stolen, basically. This is what it amounts to.

劉江華議員：

即指114個被人偷去？全部也只是……

Project Director, AA:

Over a period of days 156 were stolen.

劉江華議員：

我想再問清楚，這段文字“port test OK but without phone”是否相等於被人偷去的聽筒總數？

Project Director, AA:

No, I'm not saying that, but those 114 have been tested without the phone being present, yes.

劉江華議員：

被人偷去的聽筒便不能運作，對嗎？被人偷去又怎能運作呢？

Project Director, AA:

Well the handset is not there but the actual port is operational.

劉江華議員：

就是了。柯家威先生，請你回答，為何沒有聽筒的電話也可寫成能夠運作？無論是被人偷去抑或是尚未裝妥，只有電線的電話，如何能夠運作呢？你怎能寫有8成電話可以運作？這是你親筆所寫的數字。

Project Director, AA:

Yes, but it is talking about the system, the operational and connections continuing. I take your point, reading it as you are. It was 80 per cent of the ports were operational for phones to be plugged in. In some areas we

deliberately hadn't plugged the phones in at this point in time because they were being stolen. But we wanted to know when we plugged them in that they were operating.

劉江華議員：

同一道理，正如柯家威先生剛才指出某份文件有錯，你是否認為你這個寫法亦有錯？

Project Director, AA:

I don't think so, in the way that it was being discussed. In the way you are examining it, yes, and I think they are 2 different things.

Chairman:

In Mr Raymond LAI's evidence to this Select Committee, when asked, he was very clear on whether the telephone problem was in fact the responsibility of Project. We asked him about tenants who did not have telephones and fax lines connected because that was what he alleged in his statement. Then there were some missing VDOs, NTNC operators complained that block wiring was wrong, wrongly installed, miscommunication of information, and so on and so forth.

I don't know whether you are aware, but Mr LAI also told us that he received a lot of complaint letters from the tenants because they could not get the service for which they paid the Project Division to supply them with, the block wiring, this, that and the other. They didn't get it. We asked whether these belonged to the Project Division or was it under the Project Division's responsibility, and he quite categorically said it was. It wasn't just a matter of the stolen telephone sets. It was also all these works which had to be completed for the installation at these tenants' premises. Would you agree with that, Mr OAKERVEE?

Project Director, AA:

As regards whose responsibility, I would agree. Some of the other statements he has made are a little bit shaky.

Chairman:

A little earlier you were actually telling Members that "Oh, it is probably because we installed the system but the sets were stolen, 156 sets, you know, because of the sets being stolen that is why it was not functioning". But that wasn't quite the case in reality, was it? In fact, quite a bit of the works for which you were responsible were not completed in time?

Project Director, AA:

I believe all the telephones that were applied for before 24 June were done, with the exception of Cathay Pacific, which was the major problem.

Chairman:

Well, this is certainly not what Mr LAI told us?

Project Director, AA:

As regards the tenants, they applied to the service providers and the service providers come to us. The service providers actually make their connections.

Chairman:

The service providers were relying on you on the block wiring before they could actually connect to the system, is that correct?

Project Director, AA:

Yes. That is why we engaged Hong Kong Telephone Company to assist us, as they had 70 per cent of the customers.

Chairman:

Exactly, and this is exactly what we are driving at. As far as the Project Division is concerned, you were responsible for supplying. You were actually paid to supply that service to the tenants so that the block wiring could be completed. Then they could get one of the telephone companies to come in and install the sets for them. Wouldn't that be correct?

Project Director, AA:

We used Hong Kong Telecom to do the block wiring.

Chairman:

Yes, but under you, was it?

Project Director, AA:

Yes, yes.

Chairman:

So it was still your responsibility, wouldn't you say?

Project Director, AA:

Yes.

Chairman:

And you had problems meeting all the requests, didn't you?

Project Director, AA:

Because the requests came through at the last minute in vast numbers.

Chairman:

That was not what Mr LAI told us. In fact he was going to supply us with all the complaint letters complaining about delays?

Project Director, AA:

Well, complaint letters may be one thing, Madam Chairman, but the figures and the orders that came in from the service providers are undeniable. I believe Mr CHATTERJEE has already provided those.

Chairman:

Sorry. Could you repeat that?

Project Director, AA:

The orders, as far as we are concerned, come from the service providers, not the tenants.

Chairman:

The orders?

Project Director, AA:

The orders for telephones, the route is from the tenants to their service providers and from the service providers to Project Division or the Authority. In the last few days the numbers went up dramatically in thousands and even in the first week of July.

Chairman:

We are talking about the part for which you are responsible?

Project Director, AA:

Yes, so am I.

Chairman:

The block wiring?

Project Director, AA:

So am I. We don't do the block wiring until we get the request come in.

Chairman:

Are you suggesting to us that in fact what Mr LAI told the Select Committee is quite incorrect? The fact is that they passed the deadline, they did not apply in time, and they all bunched up towards the end of the period just prior to AOD after 24 June and that's why you couldn't meet their requests? Is that

what you are telling us?

Project Director, AA:

Yes, because it was Mr LAI's Division that sent the letters to the tenants giving them the dates and I think he extended 24 June to the 28th.

Chairman:

I am afraid that is certainly a totally different picture from what was given to us by Mr LAI. In that case maybe you could supply us with the material as to when you received the requests and by what time you produced the service?

Project Director, AA:

We can do that, Madam Chairman, because they are all logged in.

Chairman:

That would be most helpful.

劉江華議員：

主席，我仍然想就有關數字繼續詢問。我認為此處的“水份”很多。請參閱文件B301，即柯家威先生以書面呈交的補充資料。請參閱該信第3頁第1段最後一句。

Project Director, AA:

Sorry. I'm not with you as to where we are.

劉江華議員：

第XI冊文件B301第3頁。這是你最近給我們的覆函。你在信中表示你已翻查資料，並就80%這個數字作出解釋。該文件第3頁第1段最後一行載述“If the same calculations were carried out using the IT figures but excluding the working ports without handsets, a figure of 68% would be obtained”。換言之，根據你自己提供的資料，有聽筒、可以使用的電話只佔68%。這數字已與你說的80%有差距，實際上只有68%的電話可以使用。

Chairman:

Is that correct, Mr OAKERVEE.

Project Director, AA:

Yes. We did the calculation using their figures that they had come across.

劉江華議員：

好。請你再參閱你所呈交的另一份資料文件即文件B305。該文件載有一個表，而該表最後一部分則載有“AMD”提供的數字。吳其成先生出席本委員會的研訊時亦提過這些數字。“AMD”表示曾測試每個電話，並指出該等數據很準確。雖然這份文件並沒有載述實際上可以使用的電話的百分率，但我已計算出只有54%的電話可以使用。換言之，在機場啟用前，經“AMD”進行測試後，發現只有54%的電話可以使用。這是確實的數字。請問柯家威先生，既然實際上只有54%的電話可以使用，你為何在文件中指出有80%的電話可以使用，甚至在機策會會議席上表示有95%的電話可以使用？實際情況已很清楚，你為何把可以使用的電話的百分率由54%改為95%？

Project Director, AA:

As I have said earlier to this meeting, I don't know how the 95 per cent figure was inflated.

劉江華議員：

好。事實上只有54%的電話可以使用，為何你在文件內指出有80%的電話可以使用？

Project Director, AA:

I just pointed out how we calculated it. 114 and 600-and-something over the 974 gives us nearly 80 per cent.

劉江華議員：

為何你事後又可以指出有68%的電話可以使用？為何你當時不匯報這個數字？為何你只說出最理想的數字，而你又如何得出這個數字？

Project Director, AA:

Because I used a different set of figures.

劉江華議員：

不是。柯家威先生，我認為並非採用不同數據的問題。你在向機管局提交的文件內清楚表示“the system is operational at 80%”，你有何解釋？

Project Director, AA:

The system was operational 80 per cent. We have just been through that. 80 per cent of the ports were working. What we are now discussing was the fact that the port was working is not really sufficient if it hasn't got a handset on it. To that extent and interpretation, I am agreeing with you.

劉江華議員：

詢問完畢。

Chairman:

We will break now. We will come back at quarter to 5.

(The hearing resumed at 4:50 pm)

Chairman:

The hearing continues. Mr OAKERVEE, we would like to move on to the Project Division's role vis-a-vis HACTL. In your replies to the questions posed to you on the subject in the Commission of Inquiry, you seem to accept that Project did have a role to play as far as monitoring the progress of HACTL was concerned. Could you clarify to this Select Committee whether your area of responsibility was just to administer schedule K under the franchise agreement on behalf of the Commercial Division and the Authority, or was it your job to

monitor the overall progress of HACTL, including their systems?

Project Director, AA:

The Authority appointed an airport representative under the franchise agreement, who was one of my project managers and who reports, through the Head of Construction, up to me. His duties were specifically defined under schedule K of the franchise agreement between HACTL and the Authority. His powers and duties are also defined in schedule K. The project was monitored to the extent of schedule K and somewhat beyond that. We received monthly reports from HACTL and there were formal monthly meetings between HACTL and the airport representative.

We monitored the construction work and the installation of the electrical and mechanical systems. We kept a record of what stage they had reached with their different software systems but we didn't have any special consultants actually looking at those software systems.

Dr Hon Raymond HO Chung-tai:

Madam Chairman, may I pursue this point with Mr OAKERVEE? Just now you were saying that apart from building works, you also had reports from HACTL in respect of the progress of their software?

Project Director, AA:

That's right. They gave us a complete monthly report each month and it contained all aspects of the construction, electrical, mechanical, mechanical handling systems and the software.

Dr Hon Raymond HO Chung-tai:

The person you said the Authority appointed to look after HACTL's progress was Mr Peter ASHMORE?

Project Director, AA:

Correct.

Dr Hon Raymond HO Chung-tai:

And the reports were submitted to him on a monthly basis by HACTL?

Project Director, AA:

That's right.

Dr Hon Raymond HO Chung-tai:

Can you tell us in what way the progress of HACTL's work on their software systems was presented in their reports?

Project Director, AA:

It was usually presented by exception and on a percentage basis of where their completion was. They also built up a simulator in Kai Tak and tested their new software in there over a period of about 7 or 8 months.

Dr Hon Raymond HO Chung-tai:

Did the reports indicate that there was steady progress in the establishment of their software?

Project Director, AA:

Yes. In fact I think the April 98 report said that the software had now reached a satisfactory stage and with further progression by May, they no longer report on it. They were satisfied that it was working.

Dr Hon Raymond HO Chung-tai:

I will not refer you to various documents in order to save time. At various ADSCOM meetings, various AA Board meetings or even in the AOR status reports the progress of HACTL's systems was rarely mentioned? Generally, that is building works?

Project Director, AA:

That's right, because our main concern was on the constant delay in the

building works. We believe the software production, which they were doing in-house, was satisfactory according to their own reports. We saw no reason why we should employ any specialist to check it. In any case, it was a very difficult thing if we asked to check it, although there is a clause in the franchise agreement - I can't remember the exact wording - something like we have the right to propriety software. It is not in schedule K but in another part of the document. I believe that was written because at the end of the franchise the Authority has the right to take the whole facility over and certain parts of the software. But it was their own specific software. They guarded it because of the COSAC system that goes right into their own corporate affairs with pay-rolls and a lot of other business. They obviously didn't want us to look at that.

Dr Hon Raymond HO Chung-tai:

In other words, there are several areas: One is the building works; two is the establishment of the software and the third element was that when the system was established, it had to be put into operation. But, if the building works were falling behind all the time, obviously there was not sufficient time for the software to be tested. Did you actually feel that necessary to get some proof on the availability or the reliability of that system to give you the comfort?

Project Director, AA:

Let's try and recall what HACTL were trying to provide to us by airport opening. They originally by April agreed on a best endeavours basis to give 50 per cent capacity and then by June the 75%. The 75 % should not have been contractually available until 18 August, when they have a key date and failure to do that attracts sanctions. On all earlier dates it was on a best endeavours basis, which was an exchange of letters between the chairmen of the 2 bodies at that point in time.

The building works, the master building contract, as they called it, was a contract that was under the supervision of a consultant engineer, Arups, and they also supervised it in a normal way. The 2 systems contracts, are Demag and Merrata. Demag dealt with the container storage system and Merrata with the box storage system in the centre of the building. They were direct contracts with HACTL who supervised the contracts directly. Merrata and Demag both had levels of software on their own equipment to operate. Demag first started operating the west side of that building. In July 1997, they had the first trials and they progressively built the west side up and then half the east side.

Chairman:

Mr OAKERVEE, I don't think we need a run-down of the events. What we are interested in is exactly what role your Division played in monitoring the systems of HACTL, bearing in mind that of course we are conscious of the fact that you are not directly in charge of the contracts or managing the contracts. They are responsible for their own contracts for their systems, but it is your job to monitor and it would be in the interests of PT and AA to ensure that the systems would be functioning on AOD so that the cargo facilities would actually be in operation on AOD. It would be in your interest, would it not, that you ensure that that happens?

Resulting from that is the question of how you actually achieved effective monitoring. Was it simply because they told you that the systems were working all right and you accepted their words at face value? Or whether you did something else to ensure that the systems were actually working as they should be working?

Project Director, AA:

The mechanical handling systems, Chairman, we observed and witnessed were both working. That was the box storage system and the container storage system, which were the 2 main issues. The software had been working in a simulation, as we understand, in Kai Tak, which had been going for some months. We had no other means of examining their software or testing it. We relied on their word alone. I think if we had tried to do anything in that line there would have been very strong resistance.

Dr Hon Raymond HO Chung-tai:

You didn't request for some test to be carried out?

Project Director, AA:

No. Every time we approached that area we got a very strong rebuffal that if we pursued that we would get nothing until 18 August.

Dr Hon Raymond HO Chung-tai:

In that case, you could say you were in a way helpless in the monitoring of their system?

Project Director, AA:

I believe the way the franchise was written, the airport's representative was in a very difficult situation.

Hon Edward HO Sing-tin:

I understand that AA's Project Division would not be able to actually carry out the tests and so on, but what about witnessing tests or checking whether tests had been performed?

Project Director, AA:

Under the agreement, again, everything relates to 18 August and the representative has the rights to get all the tests certificates and everything and be notified when tests are going to take place so he has the opportunity to witness those tests. No such information has been forthcoming from HACTL since we opened, although we have written, relating to 18 August, which is the key date, and we still have not received any of that. What the representative did get was the handover certificates from the various contractors to HACTL, saying that they completed the work. So he has that evidence. In the absence of any of that, what they did on a regular basis was to walk the building and observe what was going on, rather than attend any specific tests.

Hon Edward HO Sing-tin:

Did Project ask for those certificates of testing or progress of the testing? You said they were not given to you, but did you ask for them?

Project Director, AA:

We have written formally on the point in time when we were able to, that is, so many weeks before 18 August, and they asked to be involved in the tests before that date but they never were.

Chairman:

Sorry. Mr OAKERVEE, are you actually telling us that you wanted to monitor but that HACTL was being unco-operative in allowing you to witness those tests?

Project Director, AA:

Yes. They were working strictly to the contract, to the franchise.

Chairman:

Can you supply us with the documents? In your evidence to the Commission of Inquiry last week, you seem to have confirmed that under the franchise agreement AA does have the right to ascertain that they could actually perform up to whatever they are contracted to perform and that you do have the powers to ascertain that?

Project Director, AA:

Could we go through that bit of transcript because I think it is very important?

Hon Margaret NG:

I think it is 20 November, Page 69 onwards. On Page 69 you were asked to look at HACTL and then on the following pages various relevant clauses in the franchise were pointed out and read back to you?

Project Director, AA:

This is by Mr TONG for the Government, is it?

Hon Margaret NG:

Yes, indeed, it is Mr TONG. For example, on Page 70, you confirmed that you were the person who initialled the agreement in August 95 so you knew all about it. Then Mr TONG read to you the primary obligation at line 18:

"The franchisee (That is HACTL) shall carry out and complete design, constructions, installation, testing, commissioning of the facilities in accordance with construction schedule."

Madam Chairman, to save time I shan't read it aloud. But in the following pages, parts of the franchise agreement not only clearly show what HACTL's obligations are but build into the franchise your powers to inspect, to be kept informed of progress, even to direct changes in the design if there is any hint that they could not meet their obligation. Things to that effect. I don't know if the witness wants to have a quick look through them.

Chairman:

I think the witness should be allowed a quick look because this is very, very important.

Hon Margaret NG:

It is very long. It goes all the way to at least Page 80.

Chairman:

I am grateful to Miss Margaret NG for pointing that out. I think that it is quite important if Mr OAKERVEE could have his memory refreshed. During the time he gave this evidence, it certainly seems to bear out the fact that AA is given the powers to ascertain that HACTL can perform and, in order to ascertain that, AA can do all sorts of things to gain access in terms of monitoring.

Hon Margaret NG:

In short, Madam Chairman, I think my own question would be to ask Mr OAKERVEE to confirm that: First, AA has the duty to make sure that HACTL was ready on AOD; secondly, AA has the direct power through the franchise to monitor; and, thirdly, that AA does not have to take at face value whatever HACTL tells them. They can make an independent assessment. These are the questions I would like Mr OAKERVEE to answer when he has finished reading the material?

Project Director, AA:

Madam Chairman, apart from the cross-examination I had by Mr TONG, this matter was gone into at much greater depth by Mr Benjamin YU and also Justice WOO himself discussed part of what our duties were under the franchise

and that was discussed on subsequent days.

Hon Margaret NG:

Generally, Madam Chairman, does Mr OAKERVEE accept the 3 points that I have raised a moment ago?

Chairman:

Would you answer the questions posed? That is, is it your duty on behalf of AA to ascertain the capability of HACTL to perform? You have the power to do that and indeed you have exercised those powers to ensure that they could perform?

Hon Margaret NG:

I do not know if Mr OAKERVEE has exercised his power. He will tell us. But in any event he doesn't have to take HACTL's word for it.

Chairman:

Not at face value.

Project Director, AA:

Can I have a chance to read the transcript please? Page 69 to 80, was it?

Hon Margaret NG:

Yes, briefly.

Chairman:

Perhaps if I could just highlight Page 80, Mr OAKERVEE, Line 6. "The AA is properly equipped to monitor the progress of works of HACTL in relation to their systems." This is a question posed by Mr TONG and your answer was that the powers and duties were certainly in the franchise to do so. If the AA required to employ a consultant to advise Peter ASHMORE in order to discharge the AA duties, there would be no reason why it should not be done if that was

seen as necessary.

Project Director, AA:

I have no disagreement with that, Madam Chairman.

Chairman:

In fact you stated quite clearly the powers and duties are certainly in the franchise to do whatever was necessary to monitor the progress of works of HACTL in relation to their systems. To answer Miss Ng's question, you believe that the powers and duties are there in the franchise. So the next question is did you believe that whatever needed to be done had been done and whether it was adequate to take whatever HACTL was giving to you?

Hon Margaret NG:

I am sorry, Madam Chairman. Actually it sets it out at line 17 onwards on Page 80. Mr TONG says here:

"If in the course of monitoring the work of HACTL it became clear to Mr ASHMORE that there was a serious risk of HACTL not being able to be ready for airport opening with their systems you would expect him to tell you?"

And your answer is "I would indeed."

Project Director, AA:

Correct.

Hon Margaret NG:

It is to help this Committee to assess everything that AA tells ADSCOM about HACTL. In other words, you have to take responsibility for what you tell ADSCOM. Would I not be right to think so because you have every means of checking it? If you didn't raise any alarm it was because you didn't think it was anything to be alarmed about, not because you depended on HACTL. Would

that be fair?

Project Director, AA:

There was no reason to doubt HACTL's word in terms of their software.

Chairman:

On what did you base that judgment?

Project Director, AA:

On the basis that it was a development of what they were already using at Kai Tak and they already put it into use in Kai Tak in the simulation section and had no problems with it.

Hon Margaret NG:

Why wasn't it on the basis of your own direct observation? Surely, under the franchise you have the power to do so and under the statute you had the responsibility to do so?

Project Director, AA:

The latter bit was something that was discussed at great length later on in the Commission.

Hon Margaret NG:

Was it the case that because of your understanding of either the statute or the franchise you end up depending on what HACTL told you?

Project Director, AA:

Yes. I think we have to put HACTL in context. They are the world's largest and most experienced cargo handlers and they have developed this software over a number of years.

Chairman:

Mr OAKERVEE, I think we are talking about your monitoring role. Never mind what HACTL is and is not. We are trying to establish how you performed your monitoring role. You are not suggesting to this Select Committee it is because of the reputation of HACTL that you didn't feel that it was necessary to monitor?

Project Director, AA:

No, I'm not.

Chairman:

What did you do?

Project Director, AA:

I am putting HACTL in context, of the company who was writing its own software.

Chairman:

We are more interested in what you did. I think it is important that you tell this Select Committee --

Project Director, AA:

We track their progress and we also observe their testing within HACTL's Super Terminal 1 and, as I said already, they were also testing it at Kai Tak. From their own reports on the results, everything was going in accordance with plan and there was no reason to judge or to demand that experts came in.

Dr Hon Raymond HO Chung-tai:

I find it very, very strange, Mr OAKERVEE, with your 40 years of engineering experience. In the engineering field, although you may have awarded the contract to the most well-known, let's say the best contractor for that type of work, say, a bridge, you still have to monitor his progress. You don't say that because he is the best in town you don't need to look at his work and just

leave it to them. I don't think that is the case. You were supposed to monitor HACTL's progress and that would include not only the building but also the system?

Project Director, AA:

I quite agree with you, Dr HO. I think you have actually identified the difference. If you employed a contractor to do this, you would do all that monitoring. But here you had a franchise where you had awarded the business to the franchise and they were undertaking their own works, and it is quite different. Although you have certain powers under the franchise agreement, you haven't got the right to go and interfere or give instructions like you would have with a normal contractor.

Dr Hon Raymond HO Chung-tai:

Madam Chairman already told you that you could have used the tool for this monitoring, but you did not use it or maybe it is because you did not get the response then you just stopped using it. Which was the case?

Project Director, AA:

Sorry. I didn't quite follow the last part?

Dr Hon Raymond HO Chung-tai:

You had the tool to monitor HACTL's progress in systems but you did not use it?

Project Director, AA:

We had the right to resort to our own consultants, yes, but we didn't, no.

Chairman:

No. You said you had the powers and duties in the franchise to do so. Whether you decided to resort to a consultant or not, of course it is up to you to judge whether you needed to engage a consultant to do it. But you certainly had the powers and the duties. You said it yourself.

Project Director, AA:

The way we exercised our duty was to take careful watch of HACTL's own state of progress and we had no reason to feel uncomfortable with that.

Hon Edward HO Sing-tin:

I think Mr OAKERVEE contradicted what he said a little earlier so far as the tests were concerned. I think you said you were not allowed to take part in the test and they did not give you the test certificates and so on. Just now you said you were able to observe the tests, you got the test results and the progress. Which is right?

Project Director, AA:

Both, if I can explain.

Chairman:

Yes?

Project Director, AA:

The powers that we have got under the franchise agreement in respect to the tests all relate to 18 August and there is a specific period of time before 18 August when they must notify us of those tests. They relate to 5,000 tons a day. Now, 5,000 tons a day has only become possible about 3 weeks ago.

Chairman:

Sorry. Are you actually telling this Select Committee that you weren't allowed to observe the tests because it was too early in the day?

Hon Edward HO Sing-tin:

First he said he was not allowed, then later on he said he did.

Chairman:

What you need to answer Mr HO is on the question of whether you actually

observed those tests or not. Did you or did you not?

Project Director, AA:

Before I explain that, can we please understand the franchise, otherwise we are talking incorrectly. The franchise is specific that before 18 August the franchisee must advise the representative of the tests he is going to conduct. Now, that is a period of time relating to 18 August. For any opening of the terminal before 18 August, under any less capacity, there is no specific right for him to demand tests and see tests. It is limited to 18 August. They did have tests but they didn't advise us of those tests and we went in and made judgment of it for ourselves.

Chairman:

First of all, certainly let me point out, Mr OAKERVEE, you did not qualify your powers and duties in your evidence to the Commission. You did not say that the powers and duties were only applicable to an 18 August opening date?

Project Director, AA:

I believe I did but it is not in these pages.

Hon Margaret NG:

Madam Chairman, on Page 75 Mr OAKERVEE at line 12 said as it relates to the key date of 18 August. Is that what you mean, Mr OAKERVEE?

Project Director, AA:

Yes.

Hon Margaret NG:

I must confess I find this very difficult to understand. Of course at the time the franchise agreement was signed that was the key date and you have all these rights and all these arrangements for you to be informed of progress so as to be assured that the key date would be met. Are you telling this Select Committee that simply because you want a certain percentage of this done before the key date, you lose all these powers, you lose all these rights to inspect, to alter, to be

told of tests and to observe these tests? Are you saying that because you advance the date you lose every clause in the franchise agreement?

Project Director, AA:

On the way the tests are related, they relate specifically to the key date and the sanctions that follow through from that key date. Everything else was on a best endeavours basis and we did not get the opportunity at an earlier date.

Hon Margaret NG:

Madam Chairman, I do understand that other than the key date it is best endeavours. Nevertheless, progress is a progressive thing. You don't ask for tests just on 17 August in order to see whether the key date of 18 August is going to be met. You have it in stages so at every stage you would know exactly how much has been done. Why were you not taking advantage of?

Project Director, AA:

We were not notified of when the tests were taking place prior to that, despite ASHMORE asking for them.

Chairman:

Could you supply us with the documentary evidence that in fact you requested to observe those tests but were turned down?

Project Director, AA:

There were no letters. It was done verbally, as I understand, with ASHMORE.

Hon Margaret NG:

Why is that? As far as you are concerned, you asked because you feel that you have a right and a duty on a matter of this seriousness, why was there no written record of your request and their refusal?

Project Director, AA:

I don't know. We would have to ask Mr ASHMORE that.

Hon Margaret NG:

Has it happened just once, randomly, or has it happened more than once?

Project Director, AA:

It is on the question of progress relating to other than the key date.

Chairman:

Did Mr ASHMORE put this to you that in fact it is not a very desirable state of things that he was not provided with the information that he ought to be provided with? Did he make this point to you? He reports to you, doesn't he?

Project Director, AA:

Through Alistair THOMSON, yes.

Chairman:

Did either of those 2 gentlemen make that point to you? Otherwise, you wouldn't have known, would you?

Project Director, AA:

The thing that I knew they were doing was witnessing the trials that they were having themselves and making their own observations. But they weren't there at any specific tests because they had never got prior notice of the tests.

Chairman:

Was this fact made known to you in any one of your meetings, so that you can produce documentary evidence to this Committee to prove that in fact you were told of this, that you were aware of it at the time, and that there was nothing you could do about it because of this key date limitation?

Project Director, AA:

I don't think I can give you any documentary evidence.

Hon Margaret NG:

Even at an early stage when you didn't think it cost-effective or necessary to instruct your own consultant or your own expert to observe, when your requests to witness tests and so on had been turned down, didn't you at that point realise that you had to be more pro-active in order to fulfil your monitoring role? Was this considered, first?

Project Director, AA:

It was. There are documents on the tests and how they satisfied themselves of the output and that it was working. Again, our biggest concern was on other works other than the software. We believed that their software was functioning properly from what we had observed to date. What wasn't working was some of the building works in the Government facilities and we had more trouble with getting the Government software in.

Hon Margaret NG:

Since we are unlikely to have another session with this witness I think it might be right to ask Mr OAKERVEE to tell us everything he can about how they carried out the monitoring work because we will of course make our comments on the basis of what the witness tells us?

Project Director, AA:

The monitoring work was done by Mr ASHMORE personally because of its importance. He took it over himself. He had 24 of these franchises and his different representatives look after some of them but he looked after this one personally. Together with his other engineer, Paul BURN, they inspected the premises on a regular basis. I, myself, was over there fairly regularly, nowhere near as regularly as ASHMORE and Alistair THOMSON were as well, and we had seen all the equipment working there.

Hon Margaret NG:

Was Mr ASHMORE satisfied that what he saw was adequate to give him a fairly accurate picture of the progress?

Project Director, AA:

That, coupled with HACTL's own reports on the matter.

Hon Margaret NG:

He was able to check independently that HACTL was correct in its reports to him, was he?

Project Director, AA:

The progress in the field with the way the handling systems were working corroborated the information in their reports.

Hon Margaret NG:

Although you used the information from HACTL, what you are saying is that you were able to make the judgment ultimately, yourself? You were relying on your own judgment?

Project Director, AA:

Yes. ASHMORE was relying on his own judgment, yes.

Chairman:

Mr OAKERVEE, given that HACTL has had a very compressed construction programme, they had to go into the supplemental agreement and all that. There has been continuous slippage in their physical works, so on and so forth. Can I put it to you perhaps that you were placing for too much emphasis on their physical works without really looking closely at what their systems were doing and whether their systems were really going through the necessary time frame for testing, commissioning and trial runs, and so on? You were only taking their word for it?

Project Director, AA:

We knew when the testing and commissioning was taking place, although we haven't got the records from them and we weren't invited to witness tests -- or ASHMORE wasn't invited. We were aware that those testing and commissioning programmes had started and that they were undergoing.

Chairman:

He was or he wasn't invited?

Project Director, AA:

He wasn't invited, no. But we were aware from our own observation that they were taking place.

Chairman:

But Mr ASHMORE was not there when they did their tests and so on?

Project Director, AA:

No, these tests went on for several days.

Chairman:

Yes. The whole point is that as a monitor of the effectiveness or the operational readiness of their systems, how did you satisfy yourself that the systems in HACTL were working? In the end, that was what failed on AOD, wasn't it? In fact it was the major part of your problem. What did you do? We are interested to find out exactly what you did?

Are you telling us - I think Mr Edward HO asked you earlier - are you telling us that you were shut out, in which case you ought to have insisted because you have the powers and the duties? Or were you allowed in, in which case you observed it and you were satisfied that they worked? It was the former that you were shut out, was it not? That you only learnt about it after the event?

Project Director, AA:

That's right.

Chairman:

So how could you be satisfied?

Hon Edward HO Sing-tin:

He said they were shut out. On the other hand, I would like to put that they also did not press for it though they had the right to do so.

Chairman:

Exactly. How did you satisfy yourselves?

Project Director, AA:

I don't think we did have the rights and powers that you are suggesting. I think our rights and powers, as I qualified when I spoke to Mr TONG, all related to 18 August.

Chairman:

But that was all part and parcel of the testing process, whether it was 18 August or whether it was 6 July. It would not mean that because it is 18 August that you can skip a step?

Project Director, AA:

It is not a question of skipping a step. It is advising us of the tests. They still had to do the tests relating to 18 August, the 5,000 tons. They still have to do those tests. They have done them now that they have got 5,000 tons. They just didn't have a way of proving the test.

Chairman:

One thing you must answer this Select Committee: Were you actually satisfied that you could take whatever was coming to you at face value from HACTL? If they said, OK, they tested, the results were great, they could go on on 6 July, you took their word for it, didn't you?

Project Director, AA:

We did, because we had never had any reason to doubt their word.

Chairman:

This was not quite the same system as Kai Tak, was it? This was a much bigger and a newer system, was it not?

Project Director, AA:

It is a modification. They set up the same systems in Kai Tak in a simulated form and they tested everything in that simulated form.

Chairman:

Wouldn't you say that that is a dereliction of duty on your part that you did not do anything to ascertain that but just relied on hearsay or HACTL who would have their own interest to say that everything was fine?

Project Director, AA:

I don't think so. When I said I could have consultants, the consultants would have been software consultants who could have gone in, providing HACTL would have passed the software over to them to verify the different stages. As for a cargo handling consultant, there is nobody more experienced or better than HACTL. I don't think I was derelict in my duty and it depends on what is established as the Authority's responsibility under the ordinance.

Hon Margaret NG:

I would like to give Mr OAKERVEE the opportunity to explain his point of view which he mentioned earlier when I said that AA had a statutory duty to see that HACTL met the requirement on AOD. Mr OAKERVEE, I think you said that you disagreed with that view, you had a different view of what the AA's obligations were, is that right?

Project Director, AA:

It is not a question of me necessarily disagreeing. It is a question of the Authority's view on this. As I understand the Authority's view, their interpretation of the ordinance is that they shall have due regard for air cargo and other things. If you take it down the line that we are talking, it means the way the ordinance is written that we have to satisfy ourselves what pilots are doing in every aircraft. We haven't got the ordinance with us.

Hon Margaret NG:

Finally, is that your understanding now? After the whole incident I understand that there is lots of contemplation of litigation and so on. Is it your understanding now or was it your understanding at the time?

Project Director, AA:

It was our understanding at the time and now.

Hon Margaret NG:

How would you characterise it?

Project Director, AA:

We were basically there to make certain that they met the programme.

Chairman:

How did you?

Hon Margaret NG:

We go round in circles. I will not pursue it any further.

Hon Edward HO Sing-tin:

Another feature is that in all the regular reports to ADSCOM from AA, these so-called airport operational readiness status reports - the last one before the airport opening was 30 June - all the time when HACTL was reported on, it only concentrated on when TOP would be issued?

Project Director, AA:

Yes. That was our main concern.

Hon Edward HO Sing-tin:

Is that an indication that you were totally satisfied with everything else in the operation? Systems, mechanical, computer and all that? It is just the TOP that was the main concern?

Project Director, AA:

More than the TOP. The 2 things that we were concerned most were to get it in a state to get an occupation permit with a temporary permit; the other was to ensure that the Government systems were properly installed because without the Government systems, in terms of Customs and everything else, it couldn't function properly. NAPCO and ourselves were working on that strongly, and we were more worried about the TOP, yes.

Hon Edward HO Sing-tin:

I think Mr OAKERVEE is a very experienced project manager. Would he say that getting the TOP 3 days before the airport opening is really not the same thing as the whole facility would be ready for operation?

Project Director, AA:

They had had the actual systems working for some weeks before.

Hon Edward HO Sing-tin:

You told us you were not witnessing the tests?

Project Director, AA:

No, but we were there all the time. We didn't get invited to the specific tests, nor did we get the results, but the system was working in there for some considerable period of time. Even when the Financial Secretary came on 24 June, they did a full demonstration and the system worked.

Dr Hon Raymond HO Chung-tai:

One simple question for Mr OAKERVEE. Just now you were saying that HACTL were the most experienced in air cargo handling and you did not consider appointing consultants to assist you to monitor their work, correct?

You were saying this just now?

Project Director, AA:

Yes.

Dr Hon Raymond HO Chung-tai:

In the end the systems failed completely, causing a lot of problems. Would you say that it was a misjudgment on your part? I am sure, apart from HACTL, there are other experts in this field in the world. Would you say that?

Project Director, AA:

We were not aware of any. We don't know anybody who is more experienced in the system than those whom HACTL employ.

Dr Hon Raymond HO Chung-tai:

Or, rather, you did not try to identify if there were any experts in this field elsewhere?

Project Director, AA:

The only other likely person that could have rendered assistance was Bechtel and Bechtel were already with NAPCO.

Dr Hon Raymond HO Chung-tai:

You are telling us that there is no one, apart from HACTL, who could understand the system they were developing?

Project Director, AA:

The Authority as a whole, and that includes AMD, both Chern HEED and I, were faced with this same question by the Commission the other day and we are not aware of any consultants that are experienced in this field. It is all their own software that is quite unique to HACTL.

Chairman:

Not having a consultant is one thing. Not doing anything but accepting their word for it is another, wouldn't you agree, Mr OAKERVEE?

Project Director, AA:

Yes.

Chairman:

You gave the example to the Commission that it is a bit like a car, you said, so long as it moved down the road you think it is working. Earlier you said your man was constantly in the building and things were moving so you regarded it as working. Would you not consider that to be thoroughly unprofessional to approach your duty as a monitor that way? To say "I am leaving it to the other guy. If he tells me it is fine and I don't have the expertise to tell whether it is fine or not, I will take his word for it"?

Project Director, AA:

To deal with this highly specialised business and taking into consideration that they were responsible themselves for what was their own systems and everything, I think it is an unusual approach but it was reasonable, in the same way that we didn't check the catering facilities or the other franchises for their own operations.

Chairman:

You didn't even call them to account? It is your duty to call them to account, is it not?

Project Director, AA:

Don't you think that can be achieved by the monthly meetings?

Chairman:

Mr Peter ASHMORE is your Project Manager, who is supposed to function as the monitor. He looked at the construction works in HACTL, he did his checklist and so on. He didn't do anything on the systems. Wouldn't you say that it is an oversight on the part of Project Division, whether it is Mr ASHMORE or whether it is yourself, but ultimately yourself?

Project Director, AA:

No, I don't.

Chairman:

You think it was all right to leave one very major part of it unchecked? You told us because they wouldn't let you in, they cut you out, and because of this key date, you weren't allowed, so be it?

Project Director, AA:

The systems were working. As I say, we observed that.

Chairman:

How did you know it was working?

Project Director, AA:

Because you could physically see it.

Chairman:

How did you know that it was actually working as it should? Quoting your example of the car: Are you actually saying that because you can see the car moving down the road you don't need a mechanic to check it before you take delivery? This is exactly what I think Justice WOO asked you?

Project Director, AA:

It was.

Chairman:

We are asking you why you didn't perform as a mechanic on behalf of AA to avert the kind of problem that they faced on AOD on the cargo side?

Project Director, AA:

I believe the Airport Authority's representative did his duty as was expected of him by the Authority.

Hon Margaret NG:

Madam Chairman, aren't we trying to find out what, in the AA's view, that duty was and how he did it? It is pretty circular. Isn't it right that when you have a role to monitor HACTL you would be sitting down thinking "Now, how are we going to do this effectively?" Correct?

Project Director, AA:

Yes.

Hon Margaret NG:

And you would write all the means required into the franchise agreement, right?

Project Director, AA:

Yes.

Hon Margaret NG:

The fact that probably HACTL were the only experts or the most advanced experts in their field was something that you knew at the time, right?

Project Director, AA:

Yes.

Hon Margaret NG:

If you had a job, nevertheless, to monitor, did you tell yourself at the time that "OK, because they are the expert, there isn't anyone more expert than they are, we will just take their word for it" or did you consider other ways of carrying out your duties?

Project Director, AA:

I think, if we look at the franchise agreement, the franchise agreement is modelled largely on HACTL's business plan, as was submitted prior to the franchise being drawn up. Schedule K and design changes and that, primarily relate to the infrastructure leading up to the Super Terminal, which is the Authority's responsibility, and that is largely what Schedule K is. I do not believe it goes as far as you are suggesting.

Hon Margaret NG:

No. I was suggesting that if it hadn't gone far enough you would have made it go further because you realise that you have to achieve your purpose. Since you were not unhappy with your franchise agreement, I assume that you have got everything you wanted in that agreement, am I not right?

Project Director, AA:

I didn't draft the franchise agreement.

Hon Margaret NG:

But the very first sentence was that you were there in 1995 making sure and you didn't raise any objection or any query or any dissatisfaction on the franchise agreement?

Project Director, AA:

That's not strictly true, but I don't think it is the subject of this inquiry because it involves a lot of other people at senior level. You are referring to why I initialled the agreement. I initialled the agreement because I was Acting CEO at the time and did it on the advice of the then Chairman after there had

been discussions between the 2 chairmen. The purpose of initialling it in August 95 was because we had to get the piling works started, and HACTL did that at their own risk and invested a large sum of money to do it before the agreement was signed when the Authority became the Authority. We were still the Provisional Authority when it was initialled.

Hon Margaret NG:

Were you just referring to the key date or were you referring to other parts of the franchise agreement when you say that it is not true that you were entirely content with the terms?

Project Director, AA:

The terms related to a business plan.

主席：

單仲偕議員。

Hon SIN Chung-kai:

A very simple question. Do you have any benchmark service level that you would require from HACTL?

Project Director, AA:

Yes. The requirement in the agreement was a tonnage of 5,000 tons per day. That was the benchmark used for 75 per cent capacity.

Hon SIN Chung-kai:

Since there is such a benchmark service level, have you ever thought, within AA or within the management, that before the opening you have any possibility of understanding or testing this benchmark?

Project Director, AA:

Tests were done. They couldn't physically test with 5,000 tons because it didn't exist. They mathematically extrapolated what they got from the tests they had done to show that it was capable of dealing with 5,000 tons and those figures I can --

Hon SIN Chung-kai:

Actually, you did test it and you are satisfied with the result of the testing before the AOD, right?

Project Director, AA:

Yes, I believe we did. We have got those figures. We can show you those.

Hon SIN Chung-kai:

I don't need the figures but you just assured this Committee that you did. Which unit was responsible for that?

Project Director, AA:

HACTL did the tests and we got those particular figures.

Hon SIN Chung-kai:

Did you have any people from your unit to get involved in the tests?

Project Director, AA:

No, that is what we have just been saying. When they carried out their tests they didn't invite us to them, so that we had to content ourselves with observing the actual operation of the equipment during the trial period and through the monthly meetings, we did get the figures that I have just referred to. But we didn't get the specific test results that you would expect from all the equipment. We have asked for those in connection with the 18 August date and we haven't been given those either.

Hon SIN Chung-kai:

You rely on the extrapolation of the small scale tests for the load tests,

right?

Project Director, AA:

Yes. It wasn't so small. I forget what the actual figures were but it wasn't that small.

Hon SIN Chung-kai:

What do you mean by "it wasn't that small"?

Project Director, AA:

It wasn't 5,000 tons but it was several hundreds of tons. I can't remember the exact figures.

Hon SIN Chung-kai:

And you are satisfied with the test? You, yourself?

Project Director, AA:

From the information I got, it appeared in order.

Hon SIN Chung-kai:

Who is responsible directly for accepting the service level? Do you have such a requirement?

Project Director, AA:

No.

Hon SIN Chung-kai:

You don't need to have "Yes, I am satisfied"?

Project Director, AA:

The 5,000 tons has to be accepted by the Authority. ASHMORE, as representative, took the extrapolated figures and that was accepted by the Authority.

Hon SIN Chung-kai:

Did you design some sort of way that you accept or reject the tests and the results of the tests? Do you actually require your staff to formulate a checklist?

Project Director, AA:

Yes, there were checklists but I don't think on the lines you are suggesting, if I am understanding you correctly.

Hon SIN Chung-kai:

What I am asking is whether you relied on the information from HACTL to brief you whether their functions and their system are working perfectly?

Project Director, AA:

On their software side, yes.

Hon SIN Chung-kai:

But on the AA side do you have a checklist to ensure what they provide is really true? What they provide really reflects the real situation or do you have any staff to go to check the data provided by them?

Project Director, AA:

Not on the software, but what we observed was the physical operation of the whole system, both the box storage system and the container system. We saw they operate and function as it was believed it ought to.

Chairman:

Did Mr ASHMORE have any problems at all in his other duties and

responsibilities of monitoring the progress of HACTL? Was he ever shut out or stopped because of this key date business? You keep telling us it is this key date which prevented you from insisting on or getting access the testing of the software. Did he have any trouble elsewhere?

Project Director, AA:

I think the whole issue with HACTL got pretty sensitive at times, especially when they were trying to deal with the supplemental agreement. At that time, they were trying to push us in effect to give an acceleration order so that we actually would pay for the supplemental agreement. But under the franchise agreement any such acceleration can only be possible if they are going to miss the 18 August date and we have to take the acceleration measures to bring it back to 18 August, but nothing before.

Then there was a considerable amount of correspondence that went forward and the supplemental agreement, I believe, was delayed, if only from the discussions the contractors had with me informally. Eventually we allowed them to include the capital costs of the acceleration or supplemental agreement so that it would be taken into account when the rate of return was --

Chairman:

We do know that, yes.

Hon SIN Chung-kai:

Did HACTL mention about the dust problem before the AOD?

Project Director, AA:

No.

Hon SIN Chung-kai:

They have never briefed you about the sensors that were covered by dust?

Project Director, AA:

From our own visits there we weren't aware of it either.

Hon SIN Chung-kai:

When did you know the first time that there are problems with the sensors covered by dust?

Project Director, AA:

When I sat in this chamber and Mr CHARTER was behind me and he made the announcement.

Hon Emily LAU Wai-hing:

I want to ask Mr OAKERVEE about this undertaking of best endeavours. What sort of checking did you or your staff do to ensure that HACTL did perform according to their best endeavours?

Project Director, AA:

The programme that we were working to recognised the best endeavours from the start.

Hon Emily LAU Wai-hing:

Sorry?

Project Director, AA:

The programme that we used.

Hon Emily LAU Wai-hing:

How did you make sure that that is the way that HACTL had performed?

Project Director, AA:

The programme that we drew up recognised the best endeavours from the outset. We were working to the --

Hon Emily LAU Wai-hing:

That programme, how did you find out that they were working according to that programme?

Project Director, AA:

I am trying to tell you. We drew up a programme that recognised the best endeavours at the very outset and the programme originally was due for April 98 and then extended to July 98, rather than the August date, and HACTL worked to the same programme.

Hon Emily LAU Wai-hing:

If they deliver according to the programme, that would be according to their best endeavours?

Project Director, AA:

That's right. The April programme was for 50 per cent capacity and then they themselves brought the 75 per cent capacity forward to July when on 12 January the date was extended from April to July.

Hon Emily LAU Wai-hing:

So when Members ask you about your or your staff's failure to get in to witness the tests and all that, that also showed that you did not see for yourself that they had acted according to their best endeavours?

Project Director, AA:

No, you are confusing 2 things. The Authority's representative's rights under the franchise are solely related to 18 August. All things in respect to those tests are related to that because it is when the sanctions kick in. In our interpretation of the franchise agreement we don't have the flexibility that you are suggesting and indeed we would like to have.

Hon Emily LAU Wai-hing:

The flexibility to do what?

Project Director, AA:

To bring all those tests forward to make them relative to the best endeavours date.

Hon Emily LAU Wai-hing:

Madam Chairman, I don't understand what you mean when you say that your people are not allowed to witness any of the tests?

Project Director, AA:

I didn't say we weren't allowed under the franchise. I said the specific tests were related to 18 August. That is quite clearly spelt out, the time and everything and what must be done by HACTL, in the issuance of the operational readiness certificate which HACTL issue to us. Those shouldn't be missed out. It is a peculiar arrangement where HACTL, not the third part, determine that they are operationally ready and they issue that certificate to us. All the criteria of the testing relating to that August 18 date are laid out. Any date prior to that, the franchise agreement is silent upon.

Hon Emily LAU Wai-hing:

So your staff were allowed to witness the tests that were in relation to 18 August?

Project Director, AA:

No, they haven't done because those tests weren't done, as I said at the very beginning. Since the tests came after the opening of the airport, we had been invited to nothing and I think Madam Chairman alluded to the probable reason for the relationship between HACTL and ourselves, or Miss Margaret NG, with litigation likely to take place.

Hon Emily LAU Wai-hing:

May I ask you whether it is your understanding that members of the AA Board, as well as Government officials including NAPCO, all know that that is the way you could monitor the progress of the work of HACTL?

Project Director, AA:

Yes, I believe it is understood.

Hon Emily LAU Wai-hing:

As far as we can see, with all the minutes of the AA Board meetings and the ADSCOM meetings, I don't think that this issue that Members tried to probe you was really discussed?

Project Director, AA:

You are quite correct. It wasn't discussed but I think it was understood.

Hon Emily LAU Wai-hing:

Let's put it in another way because it is not fair to ask you what they understand or don't understand. They never raised this with you?

Project Director, AA:

Correct.

Hon Emily LAU Wai-hing:

Nobody ever raised the way that you were monitoring HACTL or any problems that had been encountered? It wasn't raised by Board members or by senior Government officials?

Project Director, AA:

No. I was never questioned on that. HACTL were fully familiar with the way we were monitoring and also I believe the AA Board understood by the manpower that we had available to monitor.

Hon Emily LAU Wai-hing:

Finally, in one of the AA Board meetings one of the Board members actually referred to HACTL as a peripheral matter. Is that also the way you would describe HACTL?

Project Director, AA:

No. We didn't regard it as a peripheral matter. We regarded it as a very competent organisation setting up business itself. What we were monitoring was against the programme that we had agreed with them. That was slightly different from what is in the franchise because it took account of the best endeavours. We witnessed the progress of all the installation of the equipment and the like but our understanding is we do not interfere with their actual business and the propriety software is very much part of their business.

Hon Emily LAU Wai-hing:

Even though some of your staff could not go in to witness the tests, that is why you did not feel it necessary to raise this at the Board meetings or at ADSCOM meetings to tell them that "Hey, Mr ASHMORE could not go in and witness the tests"?

Project Director, AA:

As I said, there is nothing in writing to that effect. The whole atmosphere was very, very sensitive.

Hon Emily LAU Wai-hing:

Still, these meetings are confidential anyway? You did not feel --

Project Director, AA:

Which meetings?

Hon Emily LAU Wai-hing:

ADSCOM meetings and the AA Board meetings. You did not feel it was necessary to inform the members there of the fact that Mr ASHMORE was not allowed to go in to witness the tests and so you don't really have first-hand information to tell the Board or to tell ADSCOM?

Project Director, AA:

He wasn't invited to their tests.

Hon Emily LAU Wai-hing:

He wasn't invited? Not that he had asked but he was turned down?

Project Director, AA:

He found out the tests had gone on afterwards.

Hon Emily LAU Wai-hing:

He never bothered to find out in advance when the tests would be held?

Project Director, AA:

Yes, we had asked for a test programme and it hadn't been forthcoming.

Hon Emily LAU Wai-hing:

You did not think it was necessary to inform the AA Board and ADSCOM that that had happened?

Project Director, AA:

No.

Hon Emily LAU Wai-hing:

Why?

Project Director, AA:

Because we were satisfied with our observations of the trials that were going on at the time and observing everything was working.

Hon Emily LAU Wai-hing:

If you were that satisfied why did you ask to go in to see the tests?

Project Director, AA:

Because we wanted it to have a proper record.

Hon Emily LAU Wai-hing:

Is it just a proper record? You didn't want to let yourself see it and then be able to make a report to the AA Board or to ADSCOM that you personally witnessed it and you were satisfied?

Project Director, AA:

No.

Hon Emily LAU Wai-hing:

You just wanted a record?

Dr Hon Raymond HO Chung-tai:

Madam Chairman, can I get some clarification from Mr OAKERVEE on his answer to Mr SIN Chung-kai just now. Did you say that Peter ASHMORE got the test results from HACTL and then he extrapolated the results?

Project Director, AA:

No. They extrapolated the results.

Dr Hon Raymond HO Chung-tai:

They extrapolated?

Project Director, AA:

Yes.

Dr Hon Raymond HO Chung-tai:

How could test results be extrapolated and be taken as true test results?

Project Director, AA:

He went through the figures with them.

Dr Hon Raymond HO Chung-tai:

Then they established the further test results based on the previous test results?

Project Director, AA:

Yes. That is what I understand.

Dr Hon Raymond HO Chung-tai:

Then you establish your record for the purposes of keeping a record, just like that?

Project Director, AA:

No. The primary test, which is the one we extrapolated the figures on, was actually the throughput of tonnage of cargo. The tests that I was referring to with Ms Emily LAU are all the detailed tests in all the different sections. They are the ones we didn't have, which are not specifically related to the cargo throughput or service standards, but more on the performance of the software.

Dr Hon Raymond HO Chung-tai:

Because you did not have the 5,000 tons you had a smaller amount and you used extrapolation to get the amplified results in respect of a larger amount of goods?

Project Director, AA:

Mr ASHMORE would be the right person to answer this in detail because I am not familiar with the detail of how he did it.

Chairman:

What was your understanding, Mr OAKERVEE, that on AOD the cargo

handling capacity or capability would be? How many per cent?

Project Director, AA:

They were striving to get 75 per cent. In actual practice, they advised us that they got something like 64 or 65 per cent.

Chairman:

When did they advise you?

Project Director, AA:

They advised us after opening date.

Chairman:

Not before?

Project Director, AA:

I don't think so. Peter ASHMORE told me these figures and I think it was after opening. It could have been the day before, but I'm not positive. They started using the old equipment on 3 July.

Chairman:

You see from what NAPCO submitted to ADSCOM. It was very, very clear that they didn't have the 75 per cent as promised. It was 60 to 65 per cent and that information was actually put forward to ADSCOM before AOD. I was just wondering whether you knew of that?

Project Director, AA:

I knew the figure and I knew NAPCO's views on this if it was before opening date. It was before opening date but it was only just before.

Chairman:

I am asking you this information because I wanted to know how far your monitoring function extended?

Project Director, AA:

That is a question of use and I gather it was on the learning curve the reason the figures were down. The actual facility that was available would have been far more than 75 per cent because they had three quarters of the container storage system and 100 per cent of the box storage system functioning, which would give you a greater percentage than 75, actually.

Chairman:

But at the point of opening they didn't reach the 75, did they?

Project Director, AA:

That, as I am advised, was purely on the learning curve of people using the facility.

Chairman:

But that wasn't reported by yourself, was it?

Project Director, AA:

No, it wasn't.

Chairman:

Why wasn't it reported? Further to what Mr Edward HO said, you concentrated on the TOP. That was all. In fact it was more than that. You didn't report on the test results. You didn't report on the capacity which was lower than what they had promised. You just said that they would get their TOP on 3 July, which was expecting to be very fine as well?

Project Director, AA:

Reasonably.

Chairman:

You didn't feel there was any threat at all as far as HACTL was concerned?

Project Director, AA:

There was certainly a threat with the TOP.

Chairman:

That was the only threat, was it, as far as you were concerned?

Project Director, AA:

We thought the equipment and software were fine. Certainly, we knew some of the offices for airlines and other people who use the building weren't ready. Our biggest concern also was to get the systems through for Customs and Exercise, which had been delayed.

Chairman:

Before we conclude, Mr OAKERVEE, I think there is a general question that we probably need to put to you because it's been mentioned again and again during other witnesses' evidence giving sessions. We have been directed to records and also allegations have been made that you have a strong personality. Because the whole project was so much project driven, a lot of the other things which had to be done to get the airport ready were in fact unnecessarily sacrificed because of your strong personality. What would you say to that?

Project Director, AA:

I am told and I suppose I acknowledge that I have got a strong personality. You could have nothing else to be a project manager. You wouldn't last 5 minutes if you didn't have a strong personality in a job, especially something as big and complex as this. As to sacrificing other things, I would take exception to that. Certainly, I never sacrificed anything myself. The fact that the Authority allowed other areas not to perform at the same level, if you like, as the Project Division, I don't think is my fault.

Hon Margaret NG:

Madam Chairman, so that the witness has a full opportunity of making any comments in response, I rather get the gist of the picture. A lot of things had happened on AOD because of a lack of readiness. The lack of readiness was because up to very close to AOD, the whole airport development was project driven. "Project driven" means that the needs of other departments, the voices voicing the needs of these departments were brushed aside or suppressed, or they felt that they were not in a position to bring it out because of the strong personality.

I don't think that any witness has come out to tell us that you were one of the persons or that you were the only person, but I think that the insinuation is quite strong that you are at least one of the people. In other words, your strong personality meant the whole thing was very heavily project driven. "Project driven" means that other needs were being suppressed or people didn't feel confident to raise them, very largely resulting in the chaos on AOD. Do you have any further comments on that view?

Project Director, AA:

I think the conclusion you are drawing --

Hon Margaret NG:

It is not my conclusion. I am putting to you the evidence before this Committee?

Project Director, AA:

I think that, as evidence, it is quite unreasonable and hardly fair to me, in as much as I was given a task to do to get the project built and I achieved the physical works to a stage that was to the best of my ability by the time. I never forced anybody else out and the management of the Authority as a whole was not my responsibility. I in fact tried to encourage AMD in certain areas. But I think we also have to realise that AMD had a problem. They were very low on staff, far lower than they should have been, in my opinion, at the time and they had the problem of keeping Kai Tak working with a lot of senior staff they did

have. So there wasn't as much dedication, if you like, on their part. We could have done with more strength in order to work together through the key period.

Hon Emily LAU Wai-hing:

Madam Chairman, according to ADSCOM minutes, which I am sure Mr OAKERVEE must have heard, the Director of Civil Aviation described you as a bulldozer?

Project Director, AA:

I took that as a compliment from Mr SIEGEL.

Hon Emily LAU Wai-hing:

Why? You agree that you did bulldoze your way?

Project Director, AA:

No. It is just a term that Mr SIEGEL used. I didn't take any affront at it.

Hon Emily LAU Wai-hing:

Do you agree with him?

Project Director, AA:

I didn't bulldoze in that sense.

Hon Emily LAU Wai-hing:

In what sense did you bulldoze then? We want to get it from you instead of just getting it from Mr SIEGEL? How did you bulldoze and why did you have to bulldoze?

Project Director, AA:

I don't think I did bulldoze. It is a colloquial sort of expression that he uses and he has used it about many people other than myself. I am a positive

character. Obviously, I am firm. I have a lot of contractors and a very big staff under me. I was given the task to build the physical works and I believe I did that. I certainly never suppressed anybody else, despite what might be said.

Hon Emily LAU Wai-hing:

Were some of the people quite terrified of you?

Project Director, AA:

I don't think so.

Hon Emily LAU Wai-hing:

You think people had no inhibition in speaking out? You did not try to suppress or brush aside people's views?

Project Director, AA:

No.

Hon Emily LAU Wai-hing:

You know that in the ADSCOM minutes we are also told that you were not talking to AMD?

Project Director, AA:

That was Billy LAM said that.

Hon Emily LAU Wai-hing:

Yes.

Project Director, AA:

That was a statement he made but I think --

Hon Emily LAU Wai-hing:

Did you have a problem communicating with some of the other directors?

Project Director, AA:

No. I didn't have problems communicating with any directors.

Hon Emily LAU Wai-hing:

You did talk to AMD?

Project Director, AA:

Of course I did.

Hon Emily LAU Wai-hing:

Billy was wrong?

Project Director, AA:

Billy was wrong. I think Billy when he came over to the Airport Authority realised that. I have discussed it openly when I have had meetings with Government officials, including the most senior officers in Government, where we haven't been happy about what was going on. It was a question that it was a matrix management put into place rather than a proper hierarchical management and people tended to stay in water-tight command units and not communicate across.

Hon Emily LAU Wai-hing:

According to ADSCOM minutes, we are also told that the CEO was not in control of the situation. Is that your impression too?

Project Director, AA:

Is that a fair question to ask me?

Hon Emily LAU Wai-hing:

Well, it is your impression. You don't have to answer if you don't want to. Just then you referred to the management, which is right. You said you have your style of operating but, ultimately, it is up to management to decide who can get away with what?

Project Director, AA:

Not who can get away with what but to make everything function properly. I believe the Authority would have benefited from a different management structure.

Chairman:

Can I just put it to you, Mr OAKERVEE, by way of illustration? What happened to the heart of the airport, the FIDS system, demonstrated the point about the whole thing being project driven; about the timetables for training and everything being squashed and squeezed; that AMD had to actually work under parameters that you dictated. They had to be continuously adopting the so-called workarounds and this, that and the other, even by having to have many more people, many more staff members doing things, so as to enable your idea of having an integrated system to be in place on AOD.

That whole sequence of events all started from the end of 96. You stuck with EDS, started with a clean slate, started the whole revised build, ignored CSE and your IT people, ignored your users AMD, went down the line, cancelled FAT, postponed tests, did away with some of the tests that were necessary for FIDS, and ended up on AOD with a FIDS which was far from perfect and which led to a lot of disasters that happened on AOD. Of course we know the accumulated effect now. Wouldn't you say that is a very clear demonstration that because you took it as a project driven thing and you did it your way, everybody else's ideas had to take second place and that led to the disaster on AOD vis-a-vis FIDS?

Project Director, AA:

If I had done it my way, yes, I would agree with you. But I didn't do it my way. I believe the rather colourful picture you have drawn up, Madam Chairman, with the greatest respect, doesn't reflect what actually happened.

Chairman:

Where doesn't it reflect what happened?

Project Director, AA:

In 1996 EDS, the subcontractor of GEC, came and told us that they could not modify their software further and would have to start on a clean piece of paper, that was a situation in the contract, and that was reviewed not only by me but by everybody concerned. EDS assured everybody that they could meet the programme and the programme was done. Otherwise, we had to terminate the contract with GEC if we didn't like that. There was no question of being able to take anybody else on. EDS had already gone out to the market to see if they could get another supplier.

Concerning the contractors, I think we touched upon previously the contractor in the first place. We had not recommended the contractor in Project Division. The problems that we had with them were in fact highlighted in the paper that went to the Project Committee and the Board. If we had been listened to in the first place we might not have finished up with the problem.

The other thing, on the question of the events that took place and the contractor's failure to meet dates, the contract still had to go on. In the case of training, we spoke with AMD, we brought other training facilities forward, tried to ease that at best and we worked together. On the question of how we dealt with a lot of the issues, I had weekly meetings for the whole of this year which involved CSE, IT representing AMD, and the contractors and ourselves. Everything was done as a joint team. Everything was a joint decision. The fact that we had an integrated system was a requirement of the original master plan and always had been a requirement. I didn't want the integrated system. That was the brief I got.

立法會調查赤鱘角新香港國際機場自1998年7月6日
開始運作時所出現的問題的原委及有關事宜
專責委員會

Legislative Council Select Committee to inquire into the circumstances
leading to the problems surrounding the commencement of the operation of
the new Hong Kong International Airport at Chek Lap Kok
since 6 July 1998 and related issues

So I don't think your comments are entirely fair, Madam Chairman.

Chairman:

Today's hearing will end here. Mr OAKERVEE, please note that if the Select Committee considers it necessary to order you to give further evidence you must attend further hearings. You may now withdraw. Thank you very much.

(The hearing ended at 6:17 pm)