

立法會  
*Legislative Council*

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**Finance Committee of the Legislative Council**

**Minutes of the 3rd meeting  
held at the Legislative Council Chamber  
on Friday, 6 December 2002, at 2:30 pm**

**Members present:**

Hon NG Leung-sing, JP (Deputy Chairman)  
Hon Kenneth TING Woo-shou, JP  
Hon James TIEN Pei-chun, GBS, JP  
Hon Cyd HO Sau-lan  
Ir Dr Hon Raymond HO Chung-tai, JP  
Hon LEE Cheuk-yan  
Hon Martin LEE Chu-ming, SC, JP  
Hon Eric LI Ka-cheung, JP  
Dr Hon David LI Kwok-po, GBS, JP  
Hon Fred LI Wah-ming, JP  
Dr Hon LUI Ming-wah, JP  
Hon Margaret NG  
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP  
Hon James TO Kun-sun  
Hon CHEUNG Man-kwong  
Hon HUI Cheung-ching, JP  
Hon CHAN Kwok-keung  
Hon CHAN Yuen-han, JP  
Hon Bernard CHAN, JP  
Hon CHAN Kam-lam, JP  
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP  
Hon LEUNG Yiu-chung  
Hon SIN Chung-kai  
Hon Andrew WONG Wang-fat, JP  
Hon WONG Yung-kan  
Hon Jasper TSANG Yok-sing, GBS, JP

Hon Howard YOUNG, JP  
Dr Hon YEUNG Sum  
Hon YEUNG Yiu-chung, BBS  
Hon LAU Kong-wah  
Hon LAU Wong-fat, GBS, JP  
Hon Miriam LAU Kin-ye, JP  
Hon Ambrose LAU Hon-chuen, GBS, JP  
Hon Emily LAU Wai-hing, JP  
Hon Andrew CHENG Kar-foo  
Dr Hon LAW Chi-kwong, JP  
Hon TAM Yiu-chung, GBS, JP  
Dr Hon TANG Siu-tong, JP  
Hon Henry WU King-cheong, BBS, JP  
Hon Tommy CHEUNG Yu-yan, JP  
Hon Albert CHAN Wai-yip  
Hon LEUNG Fu-wah, MH, JP  
Dr Hon LO Wing-lok  
Hon WONG Sing-chi  
Hon Frederick FUNG Kin-kee  
Hon IP Kwok-him, JP  
Hon Audrey EU Yuet-mee, SC, JP  
Hon MA Fung-kwok, JP

**Members absent:**

Dr Hon Philip WONG Yu-hong (Chairman)  
Dr Hon David CHU Yu-lin, JP  
Hon Albert HO Chun-yan  
Hon LAU Chin-shek, JP  
Hon CHOY So-yuk  
Hon SZETO Wah  
Hon Timothy FOK Tsun-ting, SBS, JP  
Hon Abraham SHEK Lai-him, JP  
Hon LI Fung-ying, JP  
Hon Michael MAK Kwok-fung  
Hon LAU Ping-cheung

**Public officers attending:**

Mr Frederick MA Si-hang, JP	Secretary for Financial Services and the Treasury
Mr Alan LAI Nin, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Mr Stanley YING, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1

Mr K K LAM	Principal Executive Officer (General), Finance Bureau
Ms Elizabeth TSE, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 3
Mr W S CHAN, JP	Deputy Secretary for the Environment, Transport and Works (Transport and Works)
Mr S L MA	Principal Education Officer (Infrastructure) of Education Department
Mr C H YUE, JP	Director of Architectural Services
Mr HO Yue-man	Principal Transport Officer (Urban) of Transport Department
Mr LAM Hon	Chief Traffic Engineer/Kowloon of Transport Department
Mrs Lesley WONG, JP	Assistant Director of Education

**Clerk in attendance:**

Ms Pauline NG	Assistant Secretary General 1
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**Staff in attendance:**

Mr Jimmy MA, JP	Legal Adviser
Miss Polly YEUNG	Chief Assistant Secretary (1)3
Mr Matthew LOO	Senior Assistant Secretary (1)3
Ms Caris CHAN	Senior Legislative Assistant 1
Mr Frankie WOO	Legislative Assistant 2

Action

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As Dr Philip WONG, Chairman of the Finance Committee (FC) was unable to attend the meeting due to other commitments, Mr NG Leung-sing, Deputy Chairman of FC, chaired the meeting.

**Item No. 1 - FCR(2002-03)42**

**RECOMMENDATIONS OF THE ESTABLISHMENT SUBCOMMITTEE  
MADE ON 20 NOVEMBER 2002**

2. In connection with the staffing proposal EC(2002-03)6 to facilitate the merging of the Education and Manpower Bureau and the Education Department, the Deputy Chairman informed members that the Education Reorganization (Miscellaneous Amendments) Bill 2002 was introduced into the Council on 20 November 2002. The House Committee also agreed at its meeting on 22 November 2002 to form a Bills Committee to study the Bill.

3. The Committee approved the proposal.

**Item No. 2 - FCR(2002-03)43**

**RECOMMENDATIONS OF THE PUBLIC WORKS  
SUBCOMMITTEE MADE ON 16 OCTOBER 2002 AND 13  
NOVEMBER 2002**

4. The Deputy Chairman drew members' attention to the information note PWSCI(2002-03)31 issued to members on 2 December 2002 and advised that having completed the review on estimates of consultancy fees for capital works projects, the Administration had decided to update and adjust the multiplier factors for estimating consultants' costs. As a result, the estimated project costs for PWSC(2002-03)63 and PWSC(2002-03)65 among the six items recommended by the Public Works Subcommittee (PWSC) under this proposal were revised. For PWSC(2002-03)63, the estimated project cost was reduced from \$469.4 million to \$468.9 million; and for PWSC(2002-03)65, from \$128.2 million to \$127.4 million as set out in paper FCR(2002-03)43.

5. At the PWSC Chairman's request, the Deputy Chairman said that before dealing with FCR(2002-03)43, he would first invite members to discuss issues relating to the estimating of consultants' costs for capital works projects.

6. Mr LAU Kong-wah welcomed the downward adjustments of the multiplier factors for estimating consultants' costs for "staff employed in the consultants' offices" and "site staff supplied by the consultant" from 2.4 to 2 and from 1.7 to 1.6 respectively. While appreciating that the downward trend of wages and rent prevailing in the private sector market had been incorporated in the current adjustments, Mr LAU requested the Administration to provide further information such as the computation formula to assure members that the adjustments were in fact realistic and reasonable.

7. In response, the Deputy Secretary for the Environment, Transport and Works (Transport and Works) (DS(TW)) advised that the current methodology for preparing consultants' costs estimates was to multiply the estimated staff cost (derived from using the Master Pay Scale (MPS) as a benchmark) by the relevant multiplier factors to reflect the consultants' overhead costs, and then adding to it the estimated out-of-pocket expenses. This methodology was firstly introduced in 1996. The Administration would update the multiplier factors from time to time to reflect prevailing market conditions. For the current review on the multiplier factor for "staff employed in the consultants' offices", the Administration had compared the estimates of consultants' costs with the actual tendered fees for over 200 winning bids of consultancy assignments awarded since 1999, when the multiplier factor was last revised. As the bids were on average

about 24% lower than the original estimates, the multiplier factor was therefore adjusted downwards from 2.4 to 2.0. As regards the multiplier factor for "site staff supplied by the consultant", the original estimates for these projects had slightly exceeded the up-to-date forecasts on site staff cost by about 5% on average, and hence the factor was adjusted downwards from 1.7 to 1.6.

8. Noting that the tenderers might use the estimated consultants' costs prepared by the Administration instead of the going market rates in preparing their bids for consultancy assignments, Mr LAU Kong-wah was concerned that the current review on the multiplier factors by comparing the estimates of consultants' costs with the actual tendered fees might not have duly reflected the rates actually prevailing in the market. In response, DS(TW) confirmed that the award of works consultancies was subject to competitive bidding and the bidding prices put up by the tenderers should have taken on board the going market prices. In this connection, Mr Albert CHAN considered that the Administration should ensure the openness and fairness of the tendering process with a view to safeguarding against collusion by bidders, in particular for projects for which there were relatively few bidders. .

9. On the employment of professional staff in consultants' offices, Mr LAU Kong-wah was concerned that in view of the substantial pay cuts in the private sector in recent years, some consultancy firms might remunerate their staff at a level lower than that estimated by the Administration and pocket the difference as part of their profits. In response, DS(TW) reiterated that bidding for consultancy service was keen. The estimates for consultants' fees comprised three parameters, namely, estimated man-months, average MPS salary point, and the multiplier factors.

10. Mr Albert CHAN expressed grave concern about the cost-effectiveness of the consultancy assignments awarded by the Administration. He also pointed out that some jobs originally undertaken by civil servants had in fact been carried out outside Hong Kong as a result of commissioning consultancies. In particular, he stated that as he understood, over 80% of the design work under consultancy assignments were undertaken outside Hong Kong. In order to encourage the employment of local people, Mr CHAN suggested that consideration should be given to awarding higher ratings in the tendering process to tenderers who undertook to employ local staff for their projects, subject of course to international trading rules and agreements being complied with. He also requested the Administration to provide information on the amount of work, except on-site work, in consultancy contracts awarded in the past two or three years which was undertaken outside Hong Kong.

11. Noting Mr CHAN's views, DS(TW) pointed out that the Administration would ensure that the consultants would meet the contract requirements and deliver the required services in the most effective manner. The types of staff required would depend on the nature and requirements of the projects in question.

Admin He observed that on most occasions, consultants would engage the service of local professionals who were more familiar with the local situation. As regards the information requested by Mr CHAN, DS(TW) advised that there might be practical difficulties in ascertaining the amount of work in consultancy contracts which had been undertaken outside Hong Kong. Nevertheless, he would try to provide members with the requested information.

Admin 12. Mr IP Kwok-him was of the view that the multiplier factor of 1.6 for site staff supplied by the consultant seemed to be on the high side and enquired whether the Housing Authority (HA) had adopted the same multiplier factor in estimating the cost of site staff supplied by the consultant. In reply, DS(TW) advised that the use of the multiplier factors was mainly for reflecting the estimated overhead costs such as fringe benefits which the consultants had to meet. The Government and HA shared the same list of approved contractors for public works and basically used the same methodology in preparing their estimates for consultants' costs. At Mr IP's request, DS(TW) agreed to confirm whether the Government and HA adopted the same multipliers, in particular the multiplier for "site staff supplied by the consultants", in estimating consultants' costs for capital works projects.

13. In response to Dr Raymond HO's enquiry about the tendering of consultancy contracts, DS(TW) advised that prior to 1991, the "scale fee" approach was used under which consultants' fees payable were calculated as a percentage of the total cost of the works involved. This arrangement was found to be unsatisfactory as the consultant concerned might unduly expand the scale of the project at the design stage with a view to inflating the consultants' fees as a consequence. A "lump sum" approach was subsequently adopted in 1991 whereby consultants were remunerated by means of lump sum fees independent of the total cost of the project. The lump sum would generally include the fees required for project design, monitoring work on-site and ensuring contractors' compliance with the contracts.

14. Regarding Dr Raymond HO's question on whether claims by contractors against the Government would have an implication on the level of consultancy fees, DS(TW) advised in the negative, unless the consultants had carried out extra work such as searching for and preparation of information for the Government in connection with the arbitration. The additional costs incurred would normally be calculated on hourly basis unless the scope and scale of additional work required could be ascertained in advance.

15. After concluding the discussion on issues related to estimates of consultants' costs for works projects, the Deputy Chairman proceeded to deal with FCR(2002-03)43. At some members' request to consider and vote on PWSC(2002-03)63 separately, the Deputy Chairman put FCR(2002-03)43, except PWSC(2002-03)63, to the vote. The Committee approved the proposal.

**HEAD 703 - BUILDINGS**  
**Education -Tertiary/other****PWSC(2002-03)63 91ET Education resource centre-cum-public transport interchange at Kowloon Tong - stage 2**

16. While expressing support for the proposed public transport interchange (PTI), Mr IP Kwok-him reiterated his concern about the impact of the project on the traffic flow in the vicinity. Referring to the supplementary information note PWSCI(2002-03)34 provided by the Administration, Mr IP expressed grave concern about whether adequate loading/unloading facilities had been provided in the proposed PTI for cross boundary coaches, franchised buses and green minibuses in anticipation of the increased traffic flow when the proposed PTI came into operation. Mr LAU Kong-wah shared Mr IP's concerns.

17. In response, the Chief Traffic Engineer/Kowloon of Transport Department (CTE/K of TD) explained that under the existing arrangement, all vehicles bound for the Kowloon Tong station of Kowloon-Canton Railway (KCR) had to use Cornwall Street and Kent Road to arrive at the station. When exiting, they would use Suffolk Road to enter Waterloo Road. Most on-street loading/unloading activities of cross boundary coaches, buses and green minibuses now took place at Kent Road and Suffolk Road. The proposed project would only shift all existing on street loading/unloading activities into the PTI and improve the traffic conditions in the aforesaid areas. Cross boundary coaches from Waterloo Road northbound would be able to enter the proposed PTI through an additional new access road (Tim Fuk Road) instead of only via Cornwall Street and Kent Road for loading/unloading activities. These traffic arrangements would alleviate the traffic flow in the vicinity of the Kowloon Tong KCR station. CTE/K of TD further advised that the proposed loading/unloading facilities would be adequate to cater for the demand.

18. Mr IP Kwok-him was still not convinced that the increased traffic flow could be accommodated simply by allowing vehicles to enter the proposed PTI via Waterloo Road. He pointed out that the current diversion of traffic flow in circular direction at the PTI would result in heavy traffic jams. In response, CTE/K of TD referred to the measures set out in paragraph 3 of the supplementary information note PWSCI(2002-03)34 to be implemented to improve the traffic condition in the vicinity before 2005. He pointed out that recent traffic flow assessments conducted by the Administration had indicated that these measures would significantly improve the traffic condition in the vicinity of the proposed PTI and the connecting sections of Waterloo Road. CTE/K of TD also added that additional traffic measures to divert vehicles from Suffolk Road eastbound to Tim Fuk Road and Norfolk Road might be implemented to alleviate the traffic congestion at the junction between Suffolk Road and Waterloo Road if necessary.

Admin

19. On Mr IP Kwok-him's concerns about the effectiveness of the proposed traffic measures, CTE/K of TD reassured members that as a result of the various proposed traffic improvement measures, no serious traffic congestion in the vicinity of the proposed PTI was envisaged. Mr IP requested to record the Administration's confirmation in this regard.

20. Noting that vehicles using Waterloo Road would generally be in high speed, Mr LAU Kong-wah was concerned about road safety on the proposed widening of Waterloo Road to provide one additional lane to facilitate vehicles entering and leaving the proposed PTI. In response, CTE/K of TD advised that the additional lane would minimize the traffic impact on Waterloo Road as it would serve as a queuing lane for traffic approaching the proposed PTI from Waterloo Road via Tim Fuk Road, and facilitate vehicles from the proposed PTI to enter Waterloo Road from Norfolk Road eastbound.

21. Dr Raymond HO pointed out that the increased traffic flow of Waterloo Road might cause serious traffic congestion at Suffolk Road after the operation of the proposed PTI. In response, CTE/K of TD reiterated that traffic measures to divert vehicles from Suffolk Road eastbound to Tim Fuk Road and Norfolk Road might be implemented to alleviate the traffic congestion, but the traffic flow assessment had indicated that such measures might not be required.

22. The Deputy Chairman put PWSC(2002-03)63 to the vote. The Committee approved the item.

### **Item No. 3 - FCR(2002-03)44**

#### **HEAD 40 - EDUCATION DEPARTMENT**

23. The Committee approved the proposal.

### **Item No. 4 - FCR(2002-03)45**

#### **Report of the Public Works Subcommittee - Attendance of public officers at meetings of the Public Works Subcommittee**

24. At the invitation of the Deputy Chairman, Dr Raymond HO, Chairman of PWSC, briefly presented the paper and invited members' views on the way forward. Members noted that the Chairman of PWSC had issued a questionnaire to all PWSC members on 31 October 2002 putting forward the following options for members' consideration:



- (a) As a standard arrangement, both the Secretary for the Environment, Transport and Works (SETW) and the Secretary for Housing, Planning and Lands (SHPL) should be in attendance of PWSC meetings to respond to questions on general policy issues; and
- (b) Permanent Secretaries from the Environment, Transport and Works Bureau and the Housing, Planning and Lands Bureau should be in attendance of PWSC meetings as a standard arrangement, while the respective Directors of Bureau should attend on a need basis.

25. Of the 26 members of PWSC (excluding the Chairman), 15 members had chosen the first option and 11 had chosen the second option. Members further noted that the majority view of PWSC members was conveyed by the PWSC Chairman to SETW and SHPL in writing. However, in their replies, the two Directors of Bureau had not confirmed whether they would attend PWSC meetings as a standard arrangement.

26. Mr Albert CHAN recalled that the subject had been discussed at length at the PWSC. While maintaining that in principle, SETW and SHPL should be in attendance, he said that given the present circumstances, it might not be fruitful to insist on their attendance as a standard arrangement. However, he considered it imperative that the two Secretaries should attend PWSC meetings where major or controversial projects (such as the Tolo Highway project) were discussed. Mr CHAN considered that on one hand, the two Directors of Bureau should assess for themselves whether the items concerned involved policy considerations which required their attendance. On the other hand, where the Chairman or any member of PWSC considered that certain agenda items would require the attendance of the two Directors of Bureau, they should inform the Clerk to PWSC who would in turn notify the Administration accordingly. Dr YEUNG Sum agreed that SETW and SHPL should attend PWSC meetings on a need basis.

27. Referring to the questionnaire issued by the Chairman of PWSC, Mr IP Kwok-him recapped that Members of the Democratic Alliance for Betterment of Hong Kong (DAB) supported the option listed in paragraph 24(b). Mr IP considered that PWSC was not the forum for discussion of policy issues per se. Instead, it was preferable for public officers who were well-versed with the project proposals to attend the meetings and answer members' questions.

28. Mr LAU Kong-wah recalled that after lengthy discussion at PWSC, it had been agreed that policy issues should not be pursued at the Subcommittee. He did not consider it necessary to make attendance of SETW and SHPL a standard arrangement as the relevant Permanent Secretaries should be able to provide advice and elucidation on the proposed projects with reference to existing policies. He therefore suggested that a more pragmatic approach would be for the two Directors of Bureau to attend PWSC meetings where the Chairman so

requested. If the Directors of Bureau failed to attend the meeting to provide the necessary advice, members might well defer consideration of the items concerned.

29. Mrs Selina CHOW said that Members of the Liberal Party (LP) were inclined to adopt a pragmatic approach in dealing with the issue. They doubted whether major policy issues should be discussed at PWSC as the Subcommittee's major function was to facilitate the work of FC by scrutinizing public works proposals and making recommendations to FC. While agreeing that PWSC might invite SEWT and SHPL to attend PWSC meetings for discussion of major and controversial proposals, Members of LP did not consider it necessary to make their attendance a standing arrangement. Instead, officers of sufficiently high rank who were well-versed with details of the projects should attend PWSC meetings to respond to members' questions on the projects per se.

30. Mr Andrew WONG on the other hand considered that members should be allowed to raise policy issues at FC/PWSC meetings as works proposals often involved policy considerations. He also stated his view that PWSC should resume the annual review of projects proposed to be upgraded to Category A of the Public Works Programme. He expected that all relevant Directors of Bureau would be present during such a review to answer members' questions. Regarding the regular meetings to consider public works proposals, Mr WONG considered that the two Directors of Bureau concerned were in a position to decide whether they should attend particular meetings. In case members' queries could not be satisfactorily addressed due to the absence of the relevant Directors of Bureau, members might seek to defer consideration of the item in question.

31. Dr Raymond Ho noted that one of the duties of the Directors of Bureau was to attend LegCo committee meetings where major policy issues were involved. However, on preliminary perusal of the agenda items, it might not be easy to ascertain whether major policy issues were involved as such issues might only be raised in the course of deliberation. Policy issues relating to the provision of noise barriers, for example, had recurred in the discussion of public works proposals. Dr HO thus cautioned that where the relevant Directors of Bureau were not in attendance at PWSC meetings to respond to members' queries on policy issues which had wide implications, it might be possible for members to request the Administration to withdraw the paper, thereby causing delay to the project in question.

32. In this regard, Mr Andrew WONG said that as indicated in the Administration's papers provided to members earlier on, Directors of Bureau under the accountability system were only required to attend full sessions of Council meetings. Their attendance at meetings of other LegCo committees would only be required where major policy issues were involved.

33. Dr Raymond HO referred to the result of the questionnaire survey conducted in October 2002 in which the majority of PWSC members had chosen

the option that both SETW and SHPL should be in attendance of PWSC meetings to respond to questions on general policy issues as a standard arrangement. Dr HO said that as Chairman of PWSC, it appeared that he had to take follow-up action in accordance with the majority view of PWSC members as revealed in the questionnaire survey. Having regard to members' comments expressed earlier on at this meeting, he was concerned that in effect, it would mean that the majority view of PWSC members would not be followed.

34. In this regard, Mr Eric LI observed that prior to the implementation of the accountability system, it had been a standing practice for the former Secretary for Planning and Lands and the former Secretary for Works to be in attendance at meetings of PWSC. Although the relevant Permanent Secretaries had now taken up the role of Controlling Officers for the relevant Heads and Subheads of expenditure, Mr LI was of the view that members should not relax the attendance arrangement for PWSC meetings too readily, in particular since PWSC had already arrived at a majority view on the issue. Otherwise, the relaxation might be perceived as less stringent scrutiny of funding proposals. He also referred members to the existing practice of the Public Accounts Committee (PAC) that Directors of Bureau were required to attend meetings of PAC. Where the Directors of Bureau were unable to attend the meetings or considered that their deputies would be in a better position to assist the Committee due to their higher involvement in the subject matter, the Directors of Bureau concerned should consult the PAC Chairman on the level of attendance. Mr Eric LI considered it desirable to put in place a proper mechanism to obviate the need for making subjective decisions on whether or not a Director of Bureau should attend the committee meetings.

35. Regarding the procedural requirements governing the attendance of public officers, the Legal Adviser (LA) advised that apart from the relevant provisions in the current PWSC Procedure on the attendance of public officers and other persons, Rule 9 and Rule 10 of the Council's Rules of Procedure (RoP) were also relevant. The two Rules set out, inter alia, the role and functions of designated public officers in attending meetings of FC and its Subcommittees and in giving notice of items of business to be included in the agenda of the meetings concerned. Rule 9 also required the Clerk to FC or its Subcommittees to state the name of the office of the designated public officer attending for the respective items on the agenda. LA was of the view that Rules 9 and 10 of RoP did not impose a duty on designated public officers to attend meetings, but provided for the necessary arrangements to facilitate the invitation and attendance of designated public officers at meetings. Nevertheless, he added that there were provisions in RoP under which any standing committee of the Council might summon, as required when exercising its powers and functions, persons concerned to testify or give evidence.

36. Taking note of members' views expressed at the meeting, the Deputy Chairman highlighted that the majority of members appeared to be in support of

the arrangement whereby SETW and SHPL should try their best to attend meetings of PWSC more frequently, particularly when considering major or controversial proposals. He also remarked that in the course of preparing the agenda, the Clerk to PWSC could assist the Chairman by suggesting, where appropriate, whether certain items would require the attendance of SETW and SHPL.

37. Mrs Selina CHOW pointed out that neither options listed in paragraph 24(a) and (b) could adequately address the problem. She reiterated her view that it might not be necessary to require the two Directors of Bureau to attend PWSC meetings as a standard arrangement unless for major and controversial issues. Members could reasonably expect the two Directors of Bureau to be in attendance on their own accord for such important issues. She considered that the relevant Permanent Secretaries in the two Bureaux, being the vote controllers, should be in a position to respond to members' queries in respect of the project proposals.

38. Taking note of LA's advice on existing procedural requirements and some members' views that it might not be fruitful to insist on the attendance of SETW and SHPL at PWSC meetings as a standard arrangement, Mr Eric LI took the view that the relevant Permanent Secretaries in the Environment, Transport and Works Bureau and the Housing, Planning and Lands Bureau should be in attendance as a standard arrangement. In order that members' questions could be satisfactorily addressed, he considered that the level of representation should not be lower than the rank of Permanent Secretary. Mr LI shared some members' suggestion that where the PWSC Chairman concurred with a member's request or where the Chairman considered it necessary for the two Directors of Bureau to attend for certain agenda items, the Clerk to PWSC should proceed to invite the two Directors to attend the meeting accordingly.

39. In this connection, Dr Raymond HO informed members that of the three meetings held by PWSC so far during the current session, the Permanent Secretary for the Environment, Transport and Works (Transport and Works) had attended two meetings and was represented by his deputy for the other meeting due to other commitments. The Permanent Secretary for Housing, Planning and Lands (Planning and Lands) had not attended any of the meetings and was represented by his deputy at all the three meetings. The Deputy Chairman advised that pursuant to members' comments expressed so far, the relevant Permanent Secretaries, should be in attendance at PWSC meetings as a standard arrangement.

40. With a view to clarifying the way forward, the Deputy Chairman summed up FC's decision on the future arrangements as follows:

- (a) Apart from the officers designated to attend PWSC meetings for individual agenda items, the relevant Permanent Secretaries in the Housing, Planning and Lands Bureau and the Environment, Transport and Works Bureau should attend PWSC meetings as a

standard arrangement.

- (b) With the concurrence of the Chairman in response to a member's request, or where the Chairman considered it appropriate, SHPL and/or SETW should be invited to attend a PWSC meeting. The Clerk to PWSC would notify the Administration accordingly.
- (c) Notwithstanding (b), SHPL and SETW should attend meetings of PWSC on their own accord for discussion of issues which were major, controversial or unexpected in nature.
- (d) Where necessary and appropriate, the same principles should also apply to the attendance of public officers at meetings of the Establishment Subcommittee.

41. On the operational arrangements, the Clerk to FC supplemented that in line with existing practice, any PWSC member could contact the Clerk to PWSC should they consider it necessary for SETW and/or SHPL to attend the PWSC meeting for certain agenda items. The Clerk to PWSC would seek the Chairman's concurrence and then notify the Administration accordingly. The Clerk would also state in the agenda the name of the office of the public officer(s) invited for discussion of particular agenda items in accordance with the relevant procedural requirements.

42. The Committee was adjourned at 4:30 pm.