

Tom Ledger: Submission to Legco

Having a third runway may indeed benefit Hong Kong. The world is becoming smaller due to increased demand for air travel, and Hong Kong particularly needs to stay ahead of the game. This means more planes and the two current runways aren't getting any bigger. Adding capacity makes sense, but I believe there are a number of issues surrounding the role of the government in financing the runway, and a growing underlying public mistrust in government reports such as the EIA, and it is negligent to ignore these issues before embarking on such a colossal project.

Firstly, with any large investment, it is obviously crucial to ensure any preliminary findings and reports central to the project are of upmost credibility, especially with a decision the size of the initially quoted and expanding sum of \$130HKD billion.

The problem here is most people do not trust, or even understand, the “pass mark” conclusion of a government backed report such as the EIA, given the project is of such a large scale and, for instance, the Health Impact Assessment is based on optimistic assumptions and convoluted phrases by Airport Authority hired consultants. The role of the government here is naturally deeply conflicted, as it seeks to balance the interests of individuals against the common good, as well as supposedly objectively informing the public of findings such as “acceptable” health and air impacts. Tung Chung's number of days with high pollution is already 5 times greater than the standard for other districts, is that acceptable? How can the report be objective when its validity is shackled by the Airport Authority's economic self interest?

Much like the British government did with Heathrow, consulting should be opened up to other institutions' to conduct their own findings into environmental impacts. At least then an independent view is available for additional analysis. Only then will information be truly transparent. Until then, the people of Hong Kong are denied the full spectrum of information into such a crucial long-term matter that they deserve. Much more needs to be done beyond the **statutory** EIA.

This is only one example. These governance problems and public mistrust extends to other aspects of the project too, such as blown out costs. Last I checked there was a revised figure around \$200bn of taxpayers' money. What will that figure be in a year's time? When I flew into Hong Kong, I was in awe of the volume of traffic the airport already processed. But increasing capacity is a risk. Let private entrepreneurs with required capital take this risk and conduct these assessments. If private investors seek the profits evident within a positive cost benefit analysis, or even if the government hired consultants to draft a tender for private companies to bid, this would lead to greater incentive for plans run to schedule, a tighter budget

that avoids another “white elephant”, a natural tendency for better governance, and does not cost the average Hong Kong taxpayer anything. The market solves the problem better than the government can.

The everyday people of Hong Kong have clearly become disillusioned by a government that has continually gone over budget with projects, such as the current Hong Kong–Zhuhai–Macau Bridge. Where’s the incentive to stay to budget? There isn’t one. The argument that it is dangerous to allow public assets to fall into private hands is surely made redundant with the success of the MTR network, a public listed company.

If the market decides we need a third runway, let it be built, but by private companies who will provide a better result. And if we are relying on a report on environmental impacts, let the private sector into the debate. Allow the people of Hong Kong to feel like they can trust again.