

立法會
Legislative Council

LC Paper No. ESC107/17-18

(These minutes have been
seen by the Administration)

Ref : CB1/F/3/2

Establishment Subcommittee of the Finance Committee

**Minutes of the 12th meeting
held in Conference Room 3 of Legislative Council Complex
on Monday, 5 February 2018, at 2:30 pm**

Members present:

Hon Mrs Regina IP LAU Suk-yee, GBS, JP (Chairman)

Hon Alvin YEUNG (Deputy Chairman)

Hon James TO Kun-sun

Hon LEUNG Yiu-chung

Hon Abraham SHEK Lai-him, GBS, JP

Hon WONG Ting-kwong, GBS, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon WONG Kwok-kin, SBS, JP

Hon WU Chi-wai, MH

Hon Charles Peter MOK, JP

Hon CHAN Chi-chuen

Dr Hon KWOK Ka-ki

Hon KWOK Wai-keung, JP

Dr Hon Fernando CHEUNG Chiu-hung

Hon IP Kin-yuen

Dr Hon Elizabeth QUAT, BBS, JP

Hon Martin LIAO Cheung-kong, SBS, JP

Hon POON Siu-ping, BBS, MH

Dr Hon CHIANG Lai-wan, JP

Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Hon CHUNG Kwok-pan

Hon CHU Hoi-dick

Hon HO Kai-ming

Hon SHIU Ka-fai

Hon SHIU Ka-chun

Dr Hon Pierre CHAN
Hon CHAN Chun-ying
Hon KWONG Chun-yu

Members absent:

Hon Steven HO Chun-yin, BBS
Hon Holden CHOW Ho-ding
Hon YUNG Hoi-yan
Hon Jeremy TAM Man-ho

Public Officers attending:

Ms Carol YUEN Siu-wai, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Eddie MAK Tak-wai, JP	Deputy Secretary for the Civil Service 1
Ms Rebecca PUN, JP	Deputy Secretary for Transport and Housing (Transport)1
Ms Judy CHUNG	Principal Assistant Secretary for Transport and Housing (Transport)5
Mr Daniel CHUNG, JP	Director of Highways
Mr Kelvin LO, JP	Project Manager (Major Works), Highways Department
Mr Joseph LAI, JP	Permanent Secretary for Transport and Housing (Transport)
Mr Wallace LAU, JP	Deputy Secretary for Transport and Housing (Transport)4
Mr Raymond CHENG	Head (Airport Expansion Project Coordination Office), Transport and Housing (Transport)

Clerk in attendance:

Ms Connie SZETO	Chief Council Secretary (1)4
-----------------	------------------------------

Staff in attendance:

Mr Keith WONG	Council Secretary (1)4
Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Miss Yannes HO	Legislative Assistant (1)6

Action

The Chairman drew members' attention to the information paper ECI(2017-18)15, which set out the latest changes in the directorate establishment approved since 2002 and the changes to the directorate establishment in relation to the five items on the agenda. She then reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP"), they should disclose the nature of any direct or indirect pecuniary interest relating to the item under discussion at the meeting before they spoke on the item. She also drew members' attention to RoP 84 on voting in case of direct pecuniary interest.

EC(2017-18)15 Proposed retention of three supernumerary posts of one Principal Government Engineer (D3) from 1 January 2018 or upon approval of Finance Committee ("FC") (whichever is later) to 31 December 2020 and two Chief Engineers (D1) from 1 January 2018 or upon approval of FC (whichever is later) to 31 December 2019 and extension of the redeployment of one permanent post of Chief Engineer (D1) from 1 January 2018 or upon approval of FC (whichever is later) to 31 December 2020 in the Highways Department to continue providing dedicated staffing support at the directorate level to take forward the Tuen Mun-Chek Lap Kok Link and the Tuen Mun Western Bypass; and to complete the remaining works of the Hong Kong-Zhuhai-Macao Bridge Hong Kong Section

2. The Chairman remarked that the staffing proposal was to retain three supernumerary posts of one Principal Government Engineer (D3) from 1 January 2018 or upon approval of FC (whichever was later) to 31 December 2020 and two Chief Engineers (D1) from 1 January 2018 or upon approval of FC (whichever was later) to 31 December 2019 and extend the redeployment of one permanent post of Chief Engineer (D1) from 1 January 2018 or upon approval of FC (whichever was later) to 31 December 2020 in the Highways Department ("HyD") to continue providing dedicated staffing support at the directorate level to take forward the Tuen Mun-Chek Lap Kok Link ("TM-CLKL") and the Tuen Mun Western Bypass ("TMWB"); and to complete the remaining works of the

Action

Hong Kong-Zhuhai-Macao Bridge ("HZMB") Hong Kong Section. She pointed out that discussion of the item was carried over from the meeting on 29 January 2018.

Overall works progress

3. Referring to the supplementary paper provided by the Administration (LC Paper No. ESC78/17-18(01)), Mr CHU Hoi-dick pointed out that after receiving independent experts' comments in 2015, the Government adopted the recommendation from the contractor in charge of the TM-CLKL (Northern Connection) project to lower the alignment of the Northern Connection Sub-sea Tunnel Section by approximately 10 metres to avoid passing through the bottom of the stone columns below the reclaimed seawall of the artificial island for the HZMB Hong Kong Boundary Crossing Facilities ("HKBCF") so as to reduce the risks of the works. He requested the Administration to explain why the problems concerning the original alignment design had not been identified before 2015, leading to the works delay and cost overrun arising from the changed alignment. He suggested that the Government should explain the technical issues relating to the alignment by using diagrams, and requested the Government to make public the relevant independent experts' reports.

4. Director of Highways ("DHy") advised that according to the TM-CLKL (Northern Connection) works contract, the contractor was responsible for the design and construction of the sub-sea tunnel section. HyD had provided the contractor with the relevant ground investigation information and the reclamation design before the commencement of the works. When the contractor designed the tunnel alignment, the reclamation works of the artificial island had not been completed, so the contractor at that time did not have any idea of how the seabed would actually look like after reclamation. When assessing the construction risks in 2015 based on the latest site investigation information then, the contractor assessed that the risks associated with the works were too high, and thus proposed lowering the sub-sea tunnel alignment by 10 metres to avoid passing through the stone columns so as to ensure the safe operation of the tunnel boring machines ("TBMs"). The proposal was also the only technically feasible construction method as suggested by independent experts in their reports.

5. Pointing out that there had been massive water seepage during the construction of the TM-CLKL Sub-sea Tunnel Section, Mr CHAN Chi-chuen considered the situation unacceptable and requested the Government to explain how it would tackle the water seepage problem of the tunnel, and whether the current HZMB Hong Kong Project

Action

Management Office would be held accountable for the incident.

6. DHy advised that water seepage was identified during the excavation works for an emergency passage connecting the two main tunnel tubes carried out by the sub-sea tunnel project contractor, and permanent water proofing works were yet to be carried out at that passage. In this connection, the contractor finished tackling the water seepage problem within a short time and improved the temporary water proofing works based on the experience learnt. Subsequently, water seepage did not occur any more in other similar passages excavated by the contractor. He added that as the contractor was responsible for the design and construction works of the emergency passage and managed to resolve the water seepage problem within a short time, it was not necessary for the HZMB Hong Kong Project Management Office to be held accountable for the incident.

7. Mr CHAN Chi-chuen and Dr Fernando CHEUNG pointed out that the occurrence of a water seepage incident in the sub-sea tunnel works as well as the need to change the tunnel alignment due to failed projection of the settlement of the artificial island reflected that the HZMB Hong Kong Project Management Office had not supervised the works properly. They requested the Government to explain how HyD staff supervised the works along the way.

8. DHy explained that the engineering consultants engaged by HyD would supervise the daily engineering activities of contractors, and the engineers of HyD were tasked to monitor the overall works execution and progress. When major changes (such as changes to tunnel alignment) had to be made to works due to unpredictable circumstances, HyD would engage independent experts to assess the situation and HyD staff would, based on the experts' views, consider the appropriate revised project proposals put forward by contractors.

9. Mr CHU Hoi-dick pointed out that the media had repeatedly referred to the engineering consultants' information that there was continuous settlement and drifting of the HZMB HKBCF artificial island. He was concerned whether these problems would cause further works delay and cost overrun. In this connection, he considered that the Administration should make public the data in relation to the settlement and drifting of the artificial island and assess the likelihood of its further drifting in the future. He pointed out that the relevant supernumerary post holders should be responsible for these tasks.

Action

10. DHy pointed out that generally speaking, settlement of reclaimed land upon completion of works was a normal phenomenon, and the settlement rate would gradually decelerate once the seabed was compacted with filling materials. In general, the overall settlement rate was around 500 millimetres within 50 years. Regarding the settlement of the HKBCF artificial island, the reclamation works had been completed for more than one year at present, and the settlement of the two steel cells was around 130 millimetres to 170 millimetres. The consultant considered such settlement level acceptable. He supplemented that the information covered by the media was incorrect, and HyD had also made public the data in relation to the settlement of the artificial island in response to the media reports. As for the reports of the independent experts engaged by the Government, he advised that the Government had to carefully consider if it should make public the relevant reports at this stage as the contractor had already filed claims.

11. Noting from paragraph 9 of the Government's paper that the Government would decide on the implementation schedule for the second phase of the HKBCF project on the basis of the passenger and traffic flows after the commissioning of HZMB HKBCF, Mr WU Chi-wai enquired about the relevant details, including when the Government would devise such timetable and the factors to be considered.

12. DHy said that the Government would commence the second phase project upon the commissioning of HKBCF so as to avoid rising project costs. He added that the second phase had been included in the initial design of the HKBCF project. During the application for a supplementary provision from the Legislative Council ("LegCo") for the HKBCF project in 2015, the Government indicated that it would carry out the second phase project and explain the relevant arrangements to Members as soon as possible.

13. Mr WU Chi-wai opined that DHy's explanation was different from that stated in paragraph 9 of the Government's paper. He requested the Government to submit a supplementary paper explaining in detail when the Government would take forward the second phase of the HKBCF project and the factors it would consider. DHy undertook to provide the supplementary information.

[Post-meeting note: The supplementary information provided by the Administration was circulated to members on 4 April 2018 vide LC Paper No. ESC109/17-18(01).]

Action

Financing arrangements for the works

14. Mr CHU Hoi-dick remarked that the Government had all along not made public the financing details and loan amount of the HZMB project, its future repayment arrangements, as well as the financing proposals considered by the Government in addressing project cost overrun, thus undermining public monitoring. He urged the Administration to disclose the relevant information to LegCo.

15. Deputy Secretary for Transport and Housing (Transport)¹ advised that the Government had previously reported to LegCo on the progress and financing situation of the HZMB project, including the financial arrangements for works, the detailed cost-sharing arrangement among the Hong Kong, Macao and Guangdong governments for HZMB construction, as well as how the financing activities in respect of the remaining project costs would be carried out.

16. The Chairman considered that the matter proposed by Mr CHU Hoi-dick was not directly related to the staffing proposal. She suggested that Mr CHU should follow up the matter at the Panel on Development.

Number of industrial accidents

17. Mr CHU Hoi-dick and Dr Fernando CHEUNG pointed out that since the commencement of the HZMB project, a number of fatal industrial accidents had happened, but all along the Government had only given an account of the industrial accidents occurring in the Hong Kong Section without providing the number of industrial accidents that had happened in the HZMB Main Bridge project undertaken by the HZMB Authority. They requested the Government to provide the details on the fatal industrial accidents that occurred in the Hong Kong Link Road and HZMB Main Bridge projects respectively, including details of the incidents, the time and location of the accidents, the number of workers involved, as well as the information on the project contractors involved.

18. DHy advised that according to his understanding, since the commencement of the HZMB Main Bridge project, nine fatal industrial accidents involving nine deaths had happened so far. He undertook to provide the Subcommittee with the relevant supplementary information.

[*Post-meeting note:* The supplementary information provided by the Administration was circulated to members on 4 April 2018 vide LC Paper No. ESC109/17-18(01).]

Action

Handling claims filed by contractors

19. Dr Fernando CHEUNG pointed out that the three supernumerary engineer posts and the redeployed post proposed to be extended would lapse in 2019 or 2020, and the Major Works Project Management Office (Special Duties) (i.e. the current HZMB Hong Kong Project Management Office) would be responsible for handling claims filed by contractors to the Government as a result of the unpredictable circumstances encountered by their works. He enquired if the staffing proposal implied that all the claims concerning the HZMB project could be resolved before 2020. Mr LEUNG Yiu-chung also enquired that if the claims were yet to come to a close by 2020, whether the Government would extend the relevant engineer posts again at that time to continue the handling of the claims, or consider assigning the task to the existing staff on permanent posts.

20. DHy advised that the main responsibilities of the engineer posts involved in the staffing proposal were to take forward the TM-CLKL project and the TMWB project and to complete the remaining works of the HZMB Hong Kong Section. As some of the projects were expected to be completed before 2020, the Government suggested extending the duration of the relevant posts to 2019 or 2020. The Government would review the workload of the posts towards the end of their duration to decide on the necessity of extending them. He supplemented that the amounts of claims received by the Government in relation to relevant projects as of November 2017 were set out in paragraph 10 of the paper. There was normally a deadline set for claims, but a longer lead time would be required for handling complicated claims. If there were still unresolved claims upon the expiry of the posts, the Government would consider assigning other staff on permanent posts in HyD to take over the task, rather than extending these posts merely for handling such claims.

Voting on the item

21. The Chairman put the item EC(2017-18)15 to vote. At the request of Mr CHU Hoi-dick, the Chairman ordered a division, and the division bell rang for five minutes. Nine members voted for the item, eight against it and three abstained from voting. The Chairman declared that the Subcommittee agreed to recommend the item to FC for approval. The votes of individual members were as follows:

Action

For

Mr Abraham SHEK
Dr Priscilla LEUNG
Dr Elizabeth QUAT
Mr HO Kai-ming
Mr CHAN Chun-ying
(9 members)

Mr WONG Ting-kwong
Mr WONG Kwok-kin
Mr POON Siu-ping
Mr SHIU Ka-fai

Against

Mr James TO
Mr WU Chi-wai
Mr CHAN Chi-chuen
Mr CHU Hoi-dick
(8 members)

Mr LEUNG Yiu-chung
Mr Charles Peter MOK
Dr Fernando CHEUNG
Mr SHIU Ka-chun

Abstain

Dr KWOK Ka-ki
Mr Alvin YEUNG
(3 members)

Mr IP Kin-yuen

22. Mr WU Chi-wai requested that the item be voted on separately at the relevant FC meeting.

EC(2017-18)17

Proposed retention of three supernumerary posts of one Principal Government Engineer (D3), one Administrative Officer Staff Grade C (D2) and one Chief Engineer (D1) in the Airport Expansion Project Coordination Office, Transport Branch of the Transport and Housing Bureau for seven years from 1 April 2018 to 31 March 2025 to continue monitoring the work of the Airport Authority Hong Kong and coordinating with relevant parties the implementation of the Three-Runway System project at the Hong Kong International Airport

23. The Chairman remarked that the staffing proposal was to retain three supernumerary posts of one Principal Government Engineer (D3), one Administrative Officer Staff Grade C (D2) and one Chief Engineer (D1) in the Airport Expansion Project Coordination Office ("AEPCO"), Transport Branch of the Transport and Housing Bureau for seven years from 1 April 2018 to 31 March 2025 to continue monitoring the work of the Airport Authority Hong Kong ("AAHK") and coordinating with relevant parties the

Action

implementation of the Three-Runway System ("3RS") project at the Hong Kong International Airport ("HKIA").

24. The Chairman pointed out that the Panel on Economic Development ("EDev Panel") was consulted by the Administration on the proposal on 27 November 2017, and members were generally supportive of the proposal. During the discussion, members were generally concerned whether the delivery of the 3RS project would be within the expected time and budget, and requested an explanation on the monitoring mechanism concerned. Separately, some members were of the view that the Government should consider re-allocating the manpower resources of AEPCO in the light of the progress of the 3RS project.

Supply and prices of fill materials for the Three-Runway System project

25. Dr KWOK Ka-ki pointed out that as a large amount of marine sand had to be used when carrying out the reclamation works of the 3RS project, he was worried that the cost of the whole project would be pushed up if there was a rise in the marine sand price due to supply shortage. He requested the Administration to explain the latest progress of the project and measures to ensure the stability of the price and supply of marine sand. Dr Fernando CHEUNG enquired whether the work objectives of the various posts proposed to be retained included ensuring that there would not be delay and cost overruns in the project.

26. Permanent Secretary for Transport and Housing (Transport) ("PS(T)") advised that there had not been any delay or cost overruns since the commencement of the 3RS project in August 2016, and AAHK had also expressed confidence that the whole 3RS project could be completed by 2024 as scheduled without cost overruns. He supplemented that one of the major functions of AEPCO was to monitor the taking forward and implementation of the 3RS project by AAHK to ensure that there would not be any delay or cost overruns.

27. Regarding the supply and prices of fill materials, Head (Airport Expansion Project Coordination Office), Transport and Housing (Transport) ("H(AEPCO)") advised that the reclamation contract for the 3RS project had been granted, and the relevant contract prices had been released on AAHK's website. Three types of fill materials would mainly be used in the reclamation works, namely marine sand, manufactured sand and suitable fill materials from works sites in Hong Kong. The contractor would procure fill materials through different channels to minimize the cost of reclamation works as much as possible. He added that the use of local inert construction and demolition materials was environmentally friendly;

Action

to make greater use of local fill materials, AAHK would establish fill material sorting facilities at the fill banks in Tseung Kwan O and Tuen Mun to select suitable fill materials for reclamation works and ensure compliance with the Environmental Permit ("EP") in respect of the requirements on fill materials, thereby minimizing the impact of reclamation on water quality as far as possible. As commercial secrets were involved, the Government and AAHK would not make public the information relating to the price of marine sand provided in the reclamation contract.

Steering Committee on Three-Runway System and North Commercial District

28. Mr CHU Hoi-dick noted from the supplementary paper provided by the Administration to EDev Panel (LC Paper No. CB(4)528/17-18(01)) that the Government had established the Steering Committee on Three-Runway System and North Commercial District ("Steering Committee") to oversee the implementation of the 3RS project at a broad and strategic level. He pointed out that the Government had not yet reported to LegCo on the work of the Steering Committee. He requested the Administration to provide supplementary information on the details of the work of the Steering Committee, including its membership list, date of formation, issues discussed and major decisions made.

29. PS(T) and H(AEPCO) advised that the Steering Committee was established in 2014 under the chairmanship of the Financial Secretary with members comprising representatives from relevant policy bureaux and AAHK. Since its establishment in 2014, the Steering Committee had held five meetings in total to oversee the development and implementation of 3RS and the North Commercial District at a high level and from a policy perspective. They undertook to provide the Subcommittee with supplementary information on the work of the Steering Committee.

[Post-meeting note: The supplementary information provided by the Administration was circulated to members on 21 March 2018 vide LC Paper No. ESC94/17-18(01).]

30. Mr CHU Hoi-dick and Dr KWOK Ka-ki pointed out that AEPCO would assist in implementing a number of development projects and environmental mitigation measures in relation to the 3RS project, including the development of a new commercial district at the north of the airport and the development of a marine park in the surrounding waters of the airport. They enquired about the implementation progress of the two projects.

Action

31. Deputy Secretary for Transport and Housing (Transport)4 ("DS(T)4") advised that the tender exercise for the shopping mall development at the Airport North Commercial District had been closed in February 2018, and the tender selection procedure by AAHK was underway. In relation to the planning for the marine park, H(AEPCO) said that AAHK was required under EP to designate a 2 400-hectare marine park before the commissioning of 3RS; design work was being carried out to study, inter alia, how to ensure the traffic safety of nearby waterway during the construction of the marine park. In this connection, AAHK had conducted a first-round consultation in the second half of 2016 to gauge views from policy bureaux and relevant government departments, and planned to conduct a second-stage consultation in the second half of 2018.

Financial arrangements for the Three-Runway System project

32. Dr Fernando CHEUNG noted that AEPCO would continue to provide AAHK with views and suggestions on the detailed funding plan for 3RS. He enquired if AAHK had any plan to change the funding proposal already released. In addition, he requested the Administration to provide the report of the independent financial consultant engaged by AAHK in respect of the vetting of the revised funding arrangement plan.

33. PS(T) said that AAHK's financial arrangement plan was to fund the 3RS's estimated project cost of around \$141.5 billion through borrowing and raising funds from the market, retaining the airport's operating surplus as well as levying an Airport Construction Fee ("ACF") from departing passengers. Taking into account the Government's suggestions and stakeholders' views, AAHK lowered the levels of ACF, so it was necessary to raise more debt from the market to cover the shortfall. As part of the entire financial arrangement, AAHK engaged a financial consultant to study the detailed funding plan for raising HK\$69 billion, and the study was completed in September 2017. In tandem with the implementation of the financial arrangement plan by AAHK, AEPCO would continue to provide advice to AAHK. H(AEPCO) supplemented that the Government had provided the Subcommittee to Follow Up Issues Relating to the Three-runway System at the Hong Kong International Airport with papers to explain the details of the funding plan. He undertook to provide the Subcommittee with the major recommendations made in the report on the detailed funding plan.

[*Post-meeting note:* The supplementary information provided by the Administration was circulated to members on 21 March 2018 vide LC Paper No. ESC94/17-18(01).]

Action

34. Mr CHU Hoi-dick pointed out that the Government had all along maintained that it would not top up the cost of the 3RS project, but to his understanding, the "AA+" credit rating Standard and Poor's awarded to AAHK was based on the assumption that the Government would top up the project cost. He requested the Government to explain the matter.

35. PS(T) advised that the Government would not comment on any credit ratings awarded to AAHK by individual credit rating agencies. He pointed out that one of the Government's important considerations in agreeing to AAHK's commencement of the 3RS project was that AAHK had undertaken to bear the full project cost. He added that the independent financial consultant's report on the revised funding arrangements had also taken into account the possible downside risks of the market, and it pointed out that AAHK would still be able to cover the additional cost through debt should the construction cost rise by 50%.

Long-term development of the Hong Kong International Airport

36. Dr KWOK Ka-ki pointed out that whether 3RS was able to unleash its maximum potentials would depend on whether Hong Kong could fully utilize the airspace in the Pearl River Delta region ("PRD"), but the Government had so far not announced its deliberations with relevant Mainland authorities in respect of the arrangements on airspace usage. He enquired about the latest progress of relevant work.

37. PS(T) said that the deliberations between the Government and the Civil Aviation Administration of China ("CAAC") on airspace usage over the years had obtained interim achievements, including increasing the number of transfer-of-control points between Hong Kong and PRD and enhancing the coordination mechanism between the Civil Aviation Department ("CAD") and the airports in the Mainland with a view to increasing the efficiencies of aircraft operation and air traffic management in the region. In addition, CAD, in collaboration with CAAC, had also initiated modelling and fast time simulation of the airspace and air traffic in the Guangdong-Hong Kong-Macao Bay Area by using real data to assess how airspace management and flight procedures could be adjusted accordingly amid an increased number of flights in PRD. An increase in airspace capacity could not only accommodate HKIA's flight movements which would ultimately reach 102 per hour, but also could meet the demand for airspace arising from the on-going airport expansion in the Mainland. He supplemented that the Government had all along resorted to press releases to make public the major initiatives successfully implemented under the "Pearl River Delta Region Air Traffic Management Planning and Implementation Plan (Version 2.0)" signed with CAAC and

Action

the Civil Aviation Authority of Macao in 2007. Since the three sides had agreed on its confidentiality, the press releases would only cover the highlights implemented under the plan.

38. Mr CHU Hoi-dick said that the 3RS project would include the construction of a new terminal and apron using a single Y design. He enquired if the design could meet the long-term development needs of HKIA.

39. PS(T) said that according to AAHK's current projection, a new terminal with a single Y design would be able to meet the development needs of HKIA until 2030. In addition, AAHK was working out the HKIA Master Plan 2035 to study the long-term development needs of the airport and relevant planning. He undertook to supplement after the meeting the work plan in relation to AAHK's HKIA Master Plan 2035.

[Post-meeting note: The supplementary information provided by the Administration was circulated to members on 21 March 2018 vide LC Paper No. ESC94/17-18(01).]

40. Mr CHU Hoi-dick opined that the long-term development needs of the airport were not addressed under the current planning of the Government and AAHK. He urged AAHK to publish the HKIA Master Plan 2035 as soon as possible to invite public views on the long-term development direction of the airport.

Need of extending the posts

41. Mr CHAN Chi-chuen enquired about the justifications for extending the three proposed posts to 2025. In addition, if the works contractor filed claims for any delay in the 3RS project, he enquired whether such claims would be handled by the proposed post holders.

42. PS(T) advised that the Government projected that the 3RS project could be completed and commissioned by 2024. As estimated in the light of the current situation, it was not necessary to retain these posts after the commissioning of 3RS, hence the Government's current proposal of extending the three proposed posts to 31 March 2025. He supplemented that AAHK was responsible for handling the claims filed by the contractor and no public expenditure was involved therein.

43. In response to Mr CHAN Chi-chuen's enquiry about the details of the salary cost involved in extending the proposed posts, H(AEPCO) advised that the full annual average staff cost of the three posts was about

Action

\$8.7 million, while that of the remaining 11 non-directorate posts of AEPCO was about \$12 million.

44. Dr KWOK Ka-ki considered the Government's proposed extension of the three proposed posts for seven years too long, and opined that the Government should reduce the duration to three years and give an account of the effectiveness of the work of these posts upon their expiry in 2021, propose their further extension to LegCo if necessary.

45. PS(T) said that given the continuity of the 3RS project, it was necessary to align the duration of the proposed posts with the schedule for works completion. The Government would report on the work progress of the proposed posts to EDev Panel on a regular basis.

Meeting arrangements

46. Mr CHAN Chi-chuen and Mr CHU Hoi-dick pointed out that this Establishment Subcommittee meeting was concurrently with three other committee meetings, and members might find it difficult to manage. The Chairman advised that owing to the Subcommittee's backlog of proposals, it was necessary to hold additional meetings.

Voting on the item

47. The Chairman put the item EC(2017-18)17 to vote. At the request of Mr CHU Hoi-dick, the Chairman ordered a division, and the division bell rang for five minutes. Five members voted for the item and eight against it. The Chairman declared that the Subcommittee did not agree to recommend the item to the Finance Committee for approval. The votes of individual members were as follows:

For

Mr WONG Ting-kwong
Dr Elizabeth QUAT
Mr CHAN Chun-ying
(5 members)

Dr Priscilla LEUNG
Mr POON Siu-ping

Against

Mr CHAN Chi-chuen
Dr Fernando CHEUNG
Mr Alvin YEUNG
Mr SHIU Ka-chun
(8 members)

Dr KWOK Ka-ki
Mr IP Kin-yuen
Mr CHU Hoi-dick
Mr KWONG Chun-yu

Action

48. The meeting ended at 4:32 pm.

Council Business Division 1
Legislative Council Secretariat
4 April 2018