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\$9b airport project gets Exco backing

By **CONNIE LAW**
and **DOREEN CHEUNG**
THE Government is set to go ahead with the airport platform formation project without China's blessing after the Executive Council yesterday endorsed a proposal to ask the Legislative Council Finance Committee to award the \$9 billion contract.

But the Government has yet to decide when it will submit the funding proposal to the Finance Committee for final approval.

Speaking before the Exco meeting, Professor Edward Chen Kwan-yiu said the Government should not postpone the funding request for the airport platform contract.

He was concerned the cost of the project would escalate if there was any delay.

"The validity of the platform contract will expire by the end of this month and there will be a lot of problems it has to be renegotiated," he said.

Ms Felice Lieh Mak said the contract should go ahead as it did not straddle 1997. If it did not start now, it would be impossible to carry out the other projects.

The funding proposal for the contract is likely to be

approved by the Finance Committee, with 30 legislators from the Co-operative Resources Centre and United Democrats of Hongkong indicating support.

But an editorial from pro-China newspaper *Wen Wei Po* urged legislators to seriously consider whether to back the funding request, which was tantamount to pouring Hongkong people's money into the sea.

The paper claimed the British move of granting the contract was a first step towards undertaking the airport projects unilaterally.

It denounced Chief Secretary Sir David Ford's remarks of taking a step-by-step approach to building the new airport before an overall agreement on its financial package was secured.

It criticised his remark that the British side's first priority was to reach an agreement with the Chinese side as a trick to buy time.

The British side's true intention was to go ahead with the airport projects on a step-by-step approach regardless of any agreement with the Chinese side, the editorial said.

"It is obvious that the British side has adopted a piecemeal approach. They

want to let the remaining 43 contracts out of a total of 61 contracts for the airport core programme projects until the fiscal reserves have been eaten up, together with a consequence that the projects cannot be completed," the paper said.

It would leave the uncompleted projects to the SAR Government causing a heavy financial burden, it claimed.

Legislator and banker Mr David Li Kwok-po said yesterday that the banking industry was unlikely to finance the airport projects without China's blessing.

"Which bank will lend money now that China has said so firmly that it would not take up any responsibility? To pump all Hongkong's money into the projects, I do not think it feasible," he said.

Hongkong spokesman for the British Foreign Office, Mr Chris Osborne, said Chinese members of the Joint Liaison Group put forward their objections to the British go-it-alone attitude last week.

But the British side maintained it was not necessary to seek Chinese approval over the airport platform project, which would be completed before 1997.