

\$153.5m plea on airport studies

By DOREEN CHEUNG

THE Government will ask legislators on Friday for an extra \$153.5 million to pay for studies of government facilities at the new airport.

This is on top of the \$8.63 billion it will seek at the same Executive Council Finance Committee meeting to enable site formation projects and associated activities to go ahead.

The new request is to pay for consultancies and investigations on air traffic control systems for the Civil Aviation Department, a terminal doppler weather radar for the Royal Observatory, and an airmail centre for the Post Office.

A revised position paper explaining the reasons for the \$8.63 billion request says the Government expects progress in Sino-British talks on financing for the airport at Chek Lap Kok by the middle of next year.

The Government was therefore seeking the advance money to meet airport planning and operating costs and commitments up until next June.

The director of the New Airport Projects Co-ordination Office, Mr Gordon Siu Kwing-chue, said such an arrangement could allow more time for China and Britain to negotiate the financial arrangements.

Extending the validity of the current tenders and re-tendering would lead to additional costs and delays, the Government's submission to the Finance Committee says.

"Any increase in cost would run counter to the desire of all parties, including

the Chinese side of the Airport Committee, to keep costs down," said the paper.

Similarly, if the design contracts critical to the opening of the airport could not be let by mid-1993, the ordering and construction of the related systems, equipment and infrastructure would be delayed.

These include 13 design contracts on utility services, airfield pavements, road and bridge works and associated infrastructure facilities.

Together with the terminal and infrastructure design costs and commitments, it would need \$1.07 billion, which would maintain these contracts until mid-1993.

Advance provision on the refurbishment contract on a trans-shipment centre at Lok On Pai was also needed.

Another \$1.06 billion was needed by the Provisional Airport Authority to manage the site formation contract and all design contracts to its completion and \$421 million was earmarked for operating the 400-strong PAA head office until next June.

Responding to a suggestion by the former secretary for lands and works, Mr Nicky Chan Nai-keung, that it might be cheaper to re-tender the contract, a government spokesman said the local building index was inapplicable to the site formation contract which required a lot of dredging work.

The cost of dredging was high due to demand on the dredging fleet, he said.

The Co-operative Resources Centre (CRC) says it objects to any extra funds other than the \$9.04 billion site formation contract.