

Land (Miscellaneous Provisions) (Amendment) Bill
Proposed Charging and Penalty System for Street Excavation Works

We are pleased to provide you with our comments on the captioned scheme.

1. Apart from being a public and environmental friendly transport service provider, Hong Kong Tramways (“HKT”) has certain “obligations” which other public road transport companies do not have. HKT has to build and maintain its tram tracks (plus the road surfaces surrounding the tracks) on the roads and overhead line system to keep the tram service operational. HKT is now responsible for building and maintaining approximately one-third of the Hong Kong Island north corridor carriageway for usage by HKT trams, other public transport providers and all other vehicles. Presently, HKT does not charge outsider users for passing through its tracks. Should the user-to-pay principle be adopted, HKT wishes to consider recovering from other users including the Government vehicles, a relevant portion of all the public road construction and maintenance costs as well as the proposed road excavation permit cost.
2. In normal circumstances, HKT renews one-tenth of its whole tracks on the roads every year. The renewal and maintenance works are carried out while its service is in operation in the daytime. Other vehicles are also allowed to pass through the track under work during the renewal and maintenance period. HKT could opt to suspend its service and block the road tracks under work in order to do the job or to catch up with any delay in road opening. It would however be too costly to Hong Kong as a whole in terms of unavailability of the tram service, creating traffic congestions and other resultant inconveniences.
3. From the experience gained in the 16 road opening works for tram track renewal in 2001, we conclude that:
 - i. Time taken to approve Road Excavation Permit took too long that had made HKT very difficult to plan its work ahead and this would subsequently cause work delay.
 - ii. HKT was not given sufficient time to complete the work for the Authority underestimating the complexity of the underground work and work situation.
 - iii. Suspension of the road opening work was effected partly as a result of

unsatisfactory co-ordination among different Government Departments.

- iv. Bad weather conditions such as storm; heavy rainfall caused the work delay.
 - v. Heavy traffic condition affecting our tram track renewal work.
- 4 In order to maintain its tram services, HKT carries out its tram track renewal on the roads, tram pole election and underground replacement periodically. Applying the proposed fee schedule to last year's tram track renewal project in 16 locations, we reckon that HKT would have to pay \$111,968 for excavation permit fees (which includes \$1,860 fee for issue of extension EP and the daily fee \$32/day for the entire duration of EP extension), and \$11,700,000 for daily charge on delay – Strategic Road Penalty. Because of this proposed charge, the track renewal and maintenance expenses of HKT for 2001 would be doubled. This would potentially expedite the need for any fare increase application in future.
- 5 We urge the government to consider establishing a centralised unit before the implementation of the proposal to process applications for road opening permit and common trench underground utilities installation.
- 6 HKT is also concerned about how the Proposed System will function to recognize and record any delay caused by factors outside the control of the utilities companies. A workable and acceptable appeal system has to be set up.
- 7 In any event, HKT takes the view that works in the tram-only-lanes should be excluded from the Proposed System. It is because no outsiders would be better or worse off arising from progress of the work within the tram-only-lane areas.