

# 立法會 *Legislative Council*

LC Paper No. CB(1)1911/03-04  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/TP/1

## **Panel on Transport**

**Minutes of meeting held on  
Friday, 23 April 2004, at 10:00 am  
in Conference Room A of the Legislative Council Building**

**Members present** : Hon LAU Kong-wah, JP (Chairman)  
Hon Andrew CHENG Kar-foo (Deputy Chairman)  
Dr Hon David CHU Yu-lin, JP  
Hon Albert HO Chun-yan  
Ir Dr Hon Raymond HO Chung-tai, JP  
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP  
Hon CHAN Kwok-keung, JP  
Hon Miriam LAU Kin-ye, JP  
Hon Abraham SHEK Lai-him, JP  
Hon Tommy CHEUNG Yu-yan, JP  
Hon Albert CHAN Wai-yip  
Hon LEUNG Fu-wah, MH, JP  
Hon WONG Sing-chi  
Hon LAU Ping-cheung

**Non-Panel Member** : Hon LEUNG Yiu-chung  
**attending**

**Members absent** : Hon Andrew WONG Wang-fat, JP  
Hon LAU Chin-shek, JP  
Hon TAM Yiu-chung, GBS, JP  
Dr Hon TANG Siu-tong, JP

**Public Officers  
attending**

**: Agenda item IV**

Mr Arthur HO

Deputy Secretary for the Environment, Transport and Works T2

Miss Angela LEE

Principal Assistant Secretary for the Environment, Transport  
and Works T1

Mr Don HO

Assistant Commissioner for Transport/Management and  
Paratransit

**Agenda item V**

Miss Margaret FONG

Acting Permanent Secretary for the Environment, Transport  
and Works

Ms Ernestina WONG

Principal Assistant Secretary for the Environment, Transport  
and Works T5

Mr Y M LEE

Chief Engineer/Traffic Engineering  
Transport Department

Mr Adrian NG

Project Manager/Major Works  
Highways Department

Mr K S CHAN

Principal Environmental Protection Officer  
(Noise Management and Planning)  
Environmental Protection Department

**Agenda item VI**

Mr Arthur HO

Deputy Secretary for the Environment, Transport and Works T2

Mr William SHIU

Principal Assistant Secretary for the Environment, Transport  
and Works T7

**Agenda item VII**

Ms Annie CHOI  
Deputy Secretary for the Environment, Transport and Works T3

Ms Elizabeth TAI  
Principal Assistant Secretary for the Environment, Transport  
and Works T2

Mr Brian GROGAN  
Assistant Commissioner for Transport/Planning

Mr T F LEUNG  
Chief Engineer/Road Safety and Standards  
Transport Department

Mr Y M LEE  
Senior Engineer/Vehicle Regulations & Standards  
Transport Department

**Attendance by  
invitation**

**: Agenda item IV**

New World First Ferry Services Limited

Mr John HUI  
Director and General Manager

Mr Alfred LEE  
Assistant General Manager (Operations)

Ms Josephine LAM  
Corporate Communications Manager

**Agenda item VI**

MTR Corporation Limited

Mr Andrew MCCUSKER  
Deputy Operations Director

Mrs Miranda LEUNG  
General Manager, Corporate Relations

Mr Eddie SO  
Transport Planning Manager

Kowloon-Canton Railway Corporation

Mr Michael LAI  
General Manager, Marketing

Mrs Grace LAM  
General Manager, Corporate Affairs

**Clerk in attendance :** Mr Andy LAU  
Chief Council Secretary (1)2

**Staff in attendance :** Ms Alice AU  
Senior Council Secretary (1)5

Miss Winnie CHENG  
Legislative Assistant 5

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Action

**I Confirmation of minutes and matters arising**  
(LC Paper No. CB(1)1555/03-04 - Minutes of meeting held on 26 March 2004)

The minutes of meeting held on 26 March 2004 were confirmed.

2. In reply to Ir Dr Raymond HO, the Chairman advised that the Establishment Subcommittee would consider the Administration's two staffing proposals in relation to the proposed merger of the two railway corporations and the Hong Kong-Zhuhai-Macao Bridge at its meeting scheduled for 28 April 2004. When members were consulted at the last Panel meeting on 26 March 2004, different views had been expressed on these staffing proposals. He thus reminded members to attend the said Establishment Subcommittee meeting to express their opinion on the staffing proposals. In this connection, the minutes of the said Panel meeting had also been circulated to other non-Panel Members for information.

Action

**II Information papers issued since last meeting**

- (LC Paper No. CB(1)1413/03-04(01) - Information paper on "Electronic audible traffic signal system" provided by the Administration;
- LC Paper No. CB(1)1416/03-04(01) - Submission from Taxi & PLB Concern Group on "Provision of public transport services at boundary control points";
- LC Paper No. CB(1)1485/03-04(01) - Administration's response to the submission from Taxi & PLB Concern Group (LC Paper No. CB(1)1416/03-04(01));
- LC Paper No. CB(1)1421/03-04(01) - Submission from the Environmental Light Bus Alliance on "MTR's South Hong Kong Island Line and West Hong Kong Island Line";
- LC Paper No. CB(1)1479/03-04(01) - Administration's response to the submission from the Environmental Light Bus Alliance (LC Paper No. CB(1)1421/03-04(01));
- LC Paper No. CB(1)1478/03-04(01) - Submission from the NT Taxi Operations Union on "Provision of public transport services at boundary control points";
- LC Paper No. CB(1)1514/03-04(01) - Administration's response to the submission from the NT Taxi Operations Union (LC Paper No. CB(1)1478/03-04(01));
- LC Paper No. CB(1)1542/03-04(01) - Submission from Taxi & PLB Concern Group on "Government's policy on the development of road infrastructure vis-à-vis railways"; and
- LC Paper No. CB(1)1577/03-04(01) - Submission from HK Public-Light Bus Owner & Driver Association on "Route 7 and MTR's South Hong Kong Island Line and West Hong Kong Island Line")

3. Members noted the above information papers issued since last meeting.

## Action

### **III Items for discussion at the next meeting scheduled for 28 May 2004**

- (LC Paper No. CB(1)1556/03-04(01) - List of outstanding items for discussion; and  
LC Paper No. CB(1)1556/03-04(02) - List of follow-up actions)

4. Members agreed to discuss the following items as proposed by the Administration at the next meeting scheduled to be held on 28 May 2004, at 10:45 am:

- (a) Route 7, South Hong Kong Island Line and West Hong Kong Island Line;
- (b) Improvements to transport facilities and traffic arrangements at boundary control points; and
- (c) Provision and operation of tunnels and tollways.

*(Post-meeting note: The item on "Improvements to transport facilities and traffic arrangements at boundary control points" was subsequently deferred to the meeting on 25 June 2004.)*

5. In view of the written submissions received by the Panel previously on the subject, the Chairman suggested and members agreed that in case any interested parties would like to appear before the Panel to give views on "Route 7, South Hong Kong Island Line and West Hong Kong Island Line", the meeting would start at 10:00 am instead of 10:45 am as originally scheduled.

### **IV Outlying islands ferry services in Hong Kong**

- (LC Paper No. CB(1)1556/03-04(03) - Information paper provided by the Administration;  
LC Paper No. CB(1)1186/03-04(01) - Submission from 離島各界反對渡輪假期附加費大聯盟 on High fares of outlying islands ferry services;  
LC Paper No. CB(1)1373/03-04(01) - Administration's response to the submission from 離島各界反對渡輪假期附加費大聯盟 (LC Paper No. CB(1)1186/03-04(01)); and  
LC Paper No. CB(1)1385/03-04(01) - DRM referral on Monitoring the fares of three outlying islands ferry services)

6. Members noted the further submission dated 22 April 2004 from 離島各界反對渡輪假期附加費大聯盟 which was tabled at the meeting (and subsequently issued to members vide LC Paper No. CB(1)1625/03-04(01)).

## Action

7. At the invitation of the Chairman, the Deputy Secretary for the Environment, Transport and Works T2 (DS for ETW(T2)) introduced the paper provided by the Administration (LC Paper No. CB(1)1556/03-04(03)) and outlined the issue of Sunday/holiday fares for the three outlying island services (i.e. Central - Cheung Chau, Central - Ping Chau and Central - Mui Wo) operated by New World First Ferry Services Limited (NWFF) in relation to the request of some residents for removal of the higher holiday fares for the services.

### Holiday fares

8. Mr John HUI, Director and General Manager of NWFF (D&GM/NWFF), said that the charging of higher fares on holidays was to enable the company to recover the operating cost on weekdays so that a lower weekday fare could be maintained. He called on members' understanding about the need for NWFF as a new operator to make substantial capital investment during the start-up period, say in acquiring vessels and undertaking various service enhancements. Although the company was operating at a loss, NWFF had been making efforts to respond to the request from the passengers for lower fares by the offer of different fare concessions including day-return and monthly tickets as well as fare discounts for the elderly, children and disabled persons.

9. D&GM/NWFF further said that NWFF had carefully considered the request from some local residents for removing the higher holiday fares. But in view of its financial situation, NWFF did not see any scope for doing so without affecting the viability of its operation and the quality of its service.

10. Ms Miriam LAU sought elaboration on the financial difficulty faced by NWFF. D&GM/NWFF responded that as the total patronage of ferry services operated by NWFF had been declining since it commenced operation in 2000, it had seriously affected the fare revenue. However, the operating costs had more or less been maintained at the same level while fuel cost had risen quite significantly. All these had an adverse impact on the financial position of the company. The accumulated loss incurred by the company amounted to some \$10 million. At the request of Ms Miriam LAU, the Assistant Commissioner for Transport/Management and Paratransit confirmed that according to information provided by NWFF, the financial performance of their ferry services had not been satisfactory both in terms of profit margin and return on investment and their operation was currently loss-making.

11. Ms Miriam LAU said that the difficulty of outlying island ferry services operation had been a long-standing issue. Considering the financial position of NWFF, she did not agree that the cancellation or reduction of holiday fare would bring about any real benefits to the local residents as it would inevitably affect the level of weekday fare. It would even be more undesirable if the company decided not to continue operation. Hence, she considered that the constructive approach was for the Administration to work together with the company to identify further ways to assist its operation.

Action

12. Mr CHENG Kar-foo opined that notwithstanding the financial difficulty faced by NWFF, the holiday fare of \$31 was on the high side and many people were discouraged from visiting the outlying islands on holidays. More importantly, this had also created a heavy financial burden on a group of regular travellers who needed to visit their family members or relatives living on the three outlying islands during weekends. In this respect, he called on NWFF to offer weekend discounts to this group of passengers as a matter of priority. If NWFF failed to meet such legitimate request from the local residents, he did not see why the company should be allowed to extend its ferry service licences (FSLs). Mr Albert CHAN also considered that although the company was operating at a loss, the level of holiday fares was indeed too high and it was not conducive to attracting additional patronage. He did not see how this could help break the vicious cycle facing the operation of outlying island ferry services in Hong Kong.

13. Mr LEUNG Yiu-chung pointed out that the concern raised by the local residents was not only confined to high holiday fares. As the residents would in most cases require interchange with other public transport services for external travel, the total transport costs were indeed substantial. However, he also noted the dwindling population on the outlying islands, and expressed grave concern as to how the fundamental problem faced by the ferry industry could be addressed to bring a win-win situation to both the operators and local residents. In this respect, he called on the Administration to ensure that ferry fares were also be covered under the proposed fare adjustment mechanism where public transport fares would be allowed to go up or down in light of the relevant factors and by reference to a specified formula.

14. DS for ETW(T2) stated that in view of the operator's financial position, any proposal to reduce or cancel the existing holiday fares would create other problems for the residents of the three outlying islands. Referring to the current concession scheme offered by NWFF, he said that the right way forward was for the company, the Administration and any other interested parties to review if and how such concession could attract new holiday patronage. The Transport Department (TD) would continue to encourage NWFF to consider extending the existing or offering new concession for holiday fares in order to bring more benefit to the passengers.

15. DS for ETW(T2) added that as proposed, the new fare adjustment mechanism being developed would initially be adopted for the consideration of future railway and bus fare adjustments as these two were the major carriers of public transport services in Hong Kong. If proven effective, the Administration would consider whether the mechanism should be extended to cover fare adjustments of other public transport services. But he stressed that as the operator was currently operating at a loss, there was in fact little scope for its fare level to be adjusted downwards.

16. Responding to some members' request for lower holiday fares, D&GM/NWFF reiterated that if the holiday fare now cross-subsidizing the weekday services were reduced, the viability of the outlying island services would be adversely affected and



## Action

would exert pressure for an increase in weekday fare. Notwithstanding its financial position, NWFF had responded to the request from local residents by the offer of the "Buy-One-Get-One-Free" concession scheme for passengers taking fast ferries on holidays. The company would review the effectiveness of the scheme in attracting new holiday patronage when it ended in May 2004.

17. While noting NWFF's reply, Mr LEUNG Yiu-chung said that more publicity on the current concession scheme was required. D&GM/NWFF replied that various means were deployed to promote the "Buy-One-Get-One-Free" concession scheme, including messages broadcasted on franchised buses operated by New World First Bus under the same group. However, due to resource constraints, it would be very difficult to allocate additional resources for further publicity.

### Measures to assist ferry operation

#### *Assistance to ferry operators*

18. Dr David CHU considered that the operation of ferry services in Hong Kong was facing a vicious cycle. As the market share of passenger ferry services had declined considerably over the years, the operators would have to maintain a high fare level which had in turn further reduced patronage. Stressing the importance of ferry services in promoting tourism development, he called on the Administration to consider providing subsidies so as to improve the financial viability of the ferry industry.

19. In response, DS for ETW(T2) stated that with the convenience offered by the improved rail and road based transport network, the people were increasingly drawn to destinations in the Mainland on holidays. This had seriously impacted on the holiday fare revenue from the outlying island ferry services on Sundays and public holidays which was an important source of income for the operator to meet the operating cost of the services.

20. Addressing Dr David CHU's concern about the need to assist the ferry industry, DS for ETW(T2) said that in accordance of the system and spirit of free enterprise, the Government would not provide direct subsidies to commercial operation. Nonetheless, the Government had been offering indirect assistance to the ferry operators, e.g. providing structural maintenance of piers to reduce the financial pressure on ferry operation. In addition, the Government had also been working on measures enabling ferry operators to expand their commercial opportunities to increase non-fare box revenue, such as allowing the ferry operators to let out pier space for commercial activities and invite commercial interests to place advertisements at pier top and external walls of the piers in Central.

Action

21. Mr Albert HO however pointed out that it was the Administration's responsibility to ensure that ferry fares were maintained at an affordable level as the residents of the outlying islands had no other choice of public transport. Under such exceptional circumstances, he asked whether the Administration would consider establishing a fund to stabilize the fare of these outlying island ferry services. Mr HO also said that the Administration should actively consider whether other indirect assistance, such as waiving the survey fee for ferry vessels, could be provided to the ferry operators so as to reduce their operating costs.

22. In reply, DS for ETW(T2) said that the Administration shared members' concern about the need to maintain ferry services so as to meet the need of local residents. Commenting on the financial position of NWFF, he pointed out that as a new operator, the company had been making heavy capital investment and this would invariably impact on its rate of return. The Administration would continue to work with the company on further measures to assist its operation. Due consideration would also be given to the views and suggestions made by members.

Admin 23. While noting the Administration's explanation, Mr Albert HO requested the Administration to provide a written paper setting out its detailed response to his suggestions on the establishment of a fund to stabilize outlying island ferry fares as well as other indirect assistance to be provided to ferry operators.

24. Regarding the placing of advertisements at pier top and external walls of the piers in Central, D&GM/NWFF said that agreement in principle had been given by the Government. However, the long time required for various government departments to vet and approve the application might undermine the commercial interest in the project.

25. Ir Dr Raymond HO expressed concern about the need for the Administration to provide assistance to the ferry operators so as to maintain the provision of ferry services in Hong Kong. In this connection, he urged the Administration to ensure better inter-departmental co-ordination so that such applications from the ferry operators would be timely considered and approved. Mrs Selina CHOW also said that as the ferry operators were licensed to provide the services, the Administration had a responsibility to provide an operating environment that was conducive to their operation. As such, the situation cited by NWFF was quite unacceptable. Expressing grave dissatisfaction with the Administration's procrastination in this matter, Ms Miriam LAU suggested that in order to expedite the process, the Administration should simplify the approval procedures and take up the responsibility of providing the structural works of the advertisements.

Admin 26. DS for ETW(T2) responded that the decision to allow advertisements at pier top and external walls of the piers in Central was made by the Administration to assist the operation of ferry operators. But as NWFF was a new operator, its FSLs could only be granted for an initial period not exceeding three years according to the existing legislation. As far as the vetting process was concerned, he called on members' understanding that given the safety implication related to the structural works of the

Action

advertisements, the departments concerned would have to carefully consider each application. Nevertheless, he took members' point about the need to expedite the approval process. As NWFF's FSLs in respect of the three outlying island ferry services would expire on 31 March 2005, TD would review the situation and identify possible areas of improvements when considering NWFF's application for licence renewal. Mrs Selina CHOW nonetheless requested the Administration to provide a written response to members as to when the issue could be resolved.

*Initiatives to enhance tourism development on outlying islands*

27. Both Mr CHENG Kar-foo and Mr LEUNG Yiu-chung opined that in order to improve ferry patronage, the Administration, in particular the Economic Development and Labour Bureau, should make greater efforts in co-ordinating various initiatives for tourism development on the outlying islands. Ir Dr Raymond HO also said that it was neither appropriate nor fair to rely on ferry operators to promote tourism development on the outlying islands. Instead, the Administration should take on a more pro-active role in this matter.

28. In this respect, DS for ETW(T2) said that apart from the provision of transport services, it would also be important to ensure the development of tourism hardware on the outlying islands. Relevant work was being undertaken by the Planning Department and the Home Affairs Department. Facilities being planned or completed would include the provision of new pier facilities, cycling path and seaside promenade in outlying islands.

29. Mrs Selina CHOW considered that in order to improve the operating environment of the ferry industry, more efforts should be made to enhance the attractiveness of the outlying islands so as to attract additional patronage. In this respect, she was gravely dissatisfied that over the years, the Administration had made no real efforts to improve and provide more tourism hardware on the outlying islands as the tourism support facilities cited by the Administration had been on the drawing board for quite a long time without any definite implementation plan. Ms Miriam LAU also said that overseas experience had shown that a tourist attraction that had lost its appeal could be revived by the provision of new support facilities and services. She thus called on the Administration to ensure that better inter-departmental co-ordination was in place to facilitate the relevant work.

30. DS for ETW(T2) stated that the Administration shared members' concern about the need to enhance the attractiveness of the outlying islands so as to improve ferry patronage especially on holidays. Citing the improvements work already done in Peng Chau as an example, he said that while these facilities were being provided by the Administration, the effectiveness of such would also depend on the efforts made by local businesses to improve their services. To facilitate members' monitoring on the progress in taking forward such initiatives, the Chairman requested the Administration to provide a list on the new tourism facilities and attractions to be developed in the outlying islands.

Admin

## Action

31. Mr Albert CHAN was gravely dissatisfied that the Administration's planning for tourism development in the outlying islands had failed to take into account the distinct characteristics of each place. In this connection, he also expressed disappointment with the work done by the Hong Kong Tourism Board (HKTB) on promoting the outlying islands as tourist attractions.

32. Mrs Selina CHOW registered her view that the criticisms made by Mr Albert CHAN against HKTB was neither fair nor justified.

### *Partnership with local community*

33. Mr CHENG Kar-foo said that NWFF should take a more pro-active role in working together with the local community to identify ways to attract more patronage on holidays. This could include partnership schemes which offered discounts to the ferry passengers for shopping or dining on the islands. Sharing this view, Mr LEUNG Yiu-chung also called on NWFF to adopt an open attitude in communicating with the local residents.

34. As regards NWFF's efforts made in this respect, D&GM/NWFF called on members' understanding that NWFF had in fact launched various programmes to attract more local and overseas travellers to visit Hong Kong's beautiful outlying islands, which in turn served to promote tourism development. Notwithstanding such efforts, he said that experience had shown that visitors would most likely be attracted to the outlying islands when special events were launched. Hence, his personal view was that the mere reduction of ferry fares might not be adequate to create sustained interest for the visitors to make the outlying islands their regular holiday destinations.

35. Regarding partnership efforts with the local community, D&GM/NWFF advised that previous initiatives made by NWFF were only met with mild response. However, he assured members that NWFF would adopt an open attitude and welcome any proposals from the local community. In this respect, both sides would exchange views on the relevant issues during the regular consultative meetings.

## Motion

36. Mr Albert CHAN maintained his view that the Administration should give impetus to NWFF to remove the higher holiday fares for its outlying island ferry services. He thus proposed the following motion for the Panel's consideration:

“本事務委員會要求政府當局促使新世界第一渡輪服務有限公司取消其離島航線的假日附加費。”

37. Members agreed to proceed with the motion.

Action

38. The Chairman put the motion to vote. Six members voted for and one member voted against the motion, with one member abstained from voting. The Chairman declared that the motion was carried.

Admin  
NWFF

39. Summing up the discussion, the Chairman invited the Administration to take note of the motion passed by the Panel on the matter, and provide the information as requested by members before the next Panel meeting. He also invited NWFF to provide a written response to the views and suggestions raised by members at the meeting as appropriate.

**V Reconstruction and improvement of Tuen Mun Road**

(LC Paper No. CB(1)1556/03-04(04) - Information paper provided by the Administration)

40. The Chairman invited members to note the information paper provided by the Administration on the subject (LC Paper No. CB(1)1556/03-04(04)). The Administration intended to submit the relevant funding proposal for the Reconstruction and Improvement of Tuen Mun Road (TMR) (the Project) to the Public Works Subcommittee (PWSC) for consideration at its meeting scheduled for 19 May 2004.

41. Dr TANG Siu-tong sought explanation about the \$3.2 billion estimated total project cost for the reconstruction and improvement works, and relayed the concern raised by the Yuen Long District Council that sections of TMR covered under the Project should be widened to dual four-lane as far as practicable so as to better cope with the anticipated increase of traffic demand in the North West New Territories in future.

42. The Acting Permanent Secretary for the Environment, Transport and Works (PSET(Atg.)) responded that the Administration had examined the feasibility and practicability of widening the whole TMR to dual four-lane but concluded that physical constraints would not make it practical. While a dual four-lane configuration might be adopted for certain sections, it would in turn create bottleneck congestion. Moreover, there would be significant environmental and land resumption implications for such a proposal which would invariably impact on the implementation timetable. At the Chairman's request, she undertook to further review the matter during the detailed design of the Project.

Admin

43. As regards the total project cost, PSET(Atg.) advised that the Project would include the reconstruction of the whole expressway sections of TMR which had been in service for more than 20 years. As part of the Project, the road design of TMR would be upgraded to current expressway standards as far as practicable, including the widening of traffic lanes to the current standard, provision of hard shoulders, improvement of sight lines, gradients, road curvature, super-elevation, etc. Other improvements to enhance road safety such as the replacement or enhancement of barriers would also be sought.

Action

44. Mr Albert CHAN expressed support in principle for the Project in order to enhance the safety of road users. Citing the hidden dangers at specific locations along TMR including sharp bends and sudden and strong crosswinds, the Administration should ensure that such problems were also taken into account as part of the Project so that TMR would really meet the current expressway standards. To help meet future demand, he agreed that where possible, a dual four-lane configuration should be adopted to provide additional climbing lanes in the uphill sections of TMR. Mr CHAN also called on the Administration to take the retrofitting of noise barriers under the Project ahead of other construction works so that early benefits could be provided to the affected residents.

Traffic impact during construction works

45. Dr TANG Siu-tong expressed worry about the unacceptable congestion caused by the commencement of construction works under the Project in 2005 as the Shenzhen Western Corridor (SWC) and Deep Bay Link (DBL) would also be commissioned around the same time. He queried whether this was a deliberate move on the Administration's part to force the motorists to divert to Route 3.

46. Ms Miriam LAU was also gravely concerned about the cumulative traffic impact of all the planned construction works to be undertaken at TMR, together with the commissioning of SWC/DBL around 2005. Under the circumstances, she sought the Administration's assessment on the worsening traffic congestion at TMR that might likely occur.

47. In response, PSET(Atg.) explained that in view of the community's general support for the early completion of the Project, the Administration had decided to fast-track the detailed design process to enable the construction works to be advanced to start in end 2005. It was merely coincidental that SWC/DBL was also scheduled to open in end 2005.

48. Regarding the traffic impact on TMR upon the commissioning of SWC/DBL, PSET(Atg.) stated that as explained previously to the Panel, the Administration had planned to introduce a number of improvement works to improve the traffic situation at TMR. The Chief Engineer/Traffic Engineering, TD, added that according to the Administration's forecast, the daily traffic flow of SWC/DBL in 2006 would be 28 000 vehicles. Some of these vehicles would be diverted from the Lok Ma Chau Crossing, and were current users of TMR already. Moreover, with the existing traffic of TMR and the additional freight traffic coming from SWC/DBL having different peak periods, it was expected that the spare capacity at TMR could absorb the anticipated additional traffic generated from SWC/DBL.

49. Addressing members' concern about traffic flow at TMR during the works period, PSET(Atg.) said that the Administration would introduce temporary traffic arrangements to maintain the existing three traffic lanes at TMR during peak hours

Action

throughout the construction works. Ir Dr Raymond HO however queried how this could be achieved given all the construction activities going on for such a large-scale project. As the whole Project took several years to complete, he cautioned the Administration to monitor the increasing traffic demand at TMR so that measures could be taken accordingly to minimize any adverse impact.

Admin

50. The Project Manager/Major Works of the Highways Department explained that while details of the temporary traffic arrangements would be finalized by the contractor, the tentative plan was to make use of the removal of the central divider to provide the extra road space in order that the existing three traffic lanes could be maintained during peak hours when part of the road area was being occupied for construction works. Ir Dr Raymond HO nonetheless opined that the possible reduction of speed limit of TMR could reduce the traffic throughput during the construction period. At his request, the Administration would provide further information before the item was submitted to PWSC for consideration.

*(Post-meeting note: The Administration subsequently advised vide LC Paper No. CB(1)1756/03-04(01) that the contractor would be required to maintain all three lanes in the dominant flow direction during peak hours throughout the construction period.)*

51. The Chairman referred to the Administration's recent proposal to enhance bridge parapets and roadside barriers at 39 priority locations along 16 road sections including TMR, and enquired about the likely impact of such together with other construction works cited by other members on the traffic flow of TMR.

52. PSET(Atg.) advised that the works would be implemented in two phases. Phase 1 works would include the addition of posts and rails to parapets and barriers along some locations and installation of thrie-beam barriers in front of parapets where site conditions permitted. Phase 2 works would include the remaining strengthening works and any further enhancement of Phase 1 works after the results of the design validation were available. The Administration would strive to include all the priority locations along TMR in phase 1 which was scheduled for completion in December 2004. Any further enhancement works would be carried out as part of the road reconstruction project.

Admin

53. Notwithstanding the Administration's explanation, the Chairman considered that more information was needed to facilitate members' understanding on the traffic impact caused by the construction works. The Administration was requested to provide members with supplementary information on the current vehicle and capacity ratio at critical sections of TMR as well as the traffic forecasts during construction works before the item was submitted to PWSC for consideration.

*(Post-meeting note: A supplementary information paper provided by the Administration was circulated to members vide LC Paper No. CB(1)1756/03-04(01).)*

Action

**VI Interchange discount between West Rail/MTR**

(LC Paper No. CB(1)1556/03-04(05) - Information paper provided by the Administration)

54. The Chairman invited members to note the information paper provided by the Administration on the subject (LC Paper No. CB(1)1556/03-04(05)).

55. Given that the patronage of West Rail (WR) was just picking up slowly, Ms Miriam LAU asked whether the MTR Corporation Limited (MTRCL) would consider extending its current 10% fare discount offered to passengers using WR/MTR interchanging facilities at MTR Nam Cheong and Mei Foo Stations.

56. On behalf of Legislative Council Members belonging to the Democratic Alliance for Betterment of Hong Kong, Mr CHAN Kwok-keung called on MTRCL to consider extending its fare discount offer to WR/MTR interchanging passengers.

57. Referring to the lack of co-operation between the two railway corporations in the past, particularly in the design of interchanging stations between the two systems, Ir Dr Raymond HO considered that a more pro-active role should be taken by the Administration as the regulator of public transport services in Hong Kong to improve the situation. MTRCL should also give favourable consideration to the strong demand from the public that the current fare discount offer be maintained.

58. Mrs Miranda LEUNG, the General Manager, Corporate Relations of MTRCL responded that the introductory fare discount offer had been extended to 30 April 2004. MTRCL understood public sentiment and would continue to explore effective plans with the Kowloon-Canton Railway Corporation (KCRC) in promoting MTR/WR interchange to support the development of the new railway. Hopefully, an announcement would be made in the coming week. The Chairman however considered that if a decision was forthcoming, MTRCL should take the opportunity to announce its decision to the Panel as it was a matter of wide public concern in the community.

59. Mr Albert HO expressed disappointment with the lack of positive response from MTRCL to the strong call from the public that more should be done by MTRCL to help alleviate the burden of transport cost on those passengers who needed to interchange between WR and MTR. As the offer of WR/MTR interchange discount was pivotal to enhancing the attractiveness of WR, he sought the Administration's response on the un-cooperative stance adopted by MTRCL.

60. DS for ETW(T2) responded that the Administration shared members' concern about the need to promote patronage growth for WR, and had been encouraging KCRC to secure co-operative arrangements with MTRCL as well as other public transport operators for the provision of inter-modal discounts for passengers.



## Action

61. Mr Albert HO however considered that the Administration's efforts lacked concrete results as MTRCL was still only considering its own interest. This was not a good sign, especially when the two corporations were considering a possible merger. Mr Albert CHAN also expressed grave disappointment that MTRCL had neglected its responsibility as a public transport provider serving the people of Hong Kong. He thus called on the Administration, as the majority shareholder of MTRCL, to adopt a stronger stance to ensure that MTRCL would provide better fare discount to passengers interchanging between WR and MTR. Sharing similar views, Mr CHENG Kar-foo queried how the proposed merger could work under the circumstances if MTRCL was only intent on safeguarding its commercial interest. He was particularly dissatisfied that although according to MTRCL's assessment, the fare discount could not attract a full 10% increase in passengers to make the offer cost neutral, the shortfall was indeed very small and the daily revenue foregone by MTRCL was actually just several tens of thousands.

62. In response, DS for ETW(T2) called on members' understanding that a cost was invariably incurred in the offer of any fare discount. As a listed company, MTRCL would need to operate according to commercial principles and carefully consider the cost implications involved. He reiterated that the Administration would continue to encourage all parties concerned to consider measures to help attract more passengers to interchange between WR and MTR as well as other public transport modes.

## Motion

63. Mr Albert HO however maintained his dissatisfaction about MTRCL's lack of positive response to extend the fare discount offered to passengers interchanging between WR and MTR. Taking into account Mr Albert CHAN's suggestion that MTRCL should also consider providing more fare discount to the passengers, Mr Albert HO proposed a motion urging the Administration to give impetus to MTRCL to extend and improve the existing interchange fare discount arrangement between WR and MTR, and that the Panel expressed disappointment and regret that MTRCL had yet to respond positively to the request for extending and improving the existing interchange fare discount arrangement. The wording of the proposed motion was as follows:

“本事務委員會要求政府促使地鐵有限公司延續及改善現有西鐵與地鐵之間的轉乘優惠。本事務委員會亦對地鐵有限公司至今對延續及改善上述優惠仍採取不積極的態度表示失望和遺憾。”

64. Members agreed to deal with the motion.

65. The Chairman put the motion to vote. Six members voted for and none against the motion. The Chairman declared the motion carried.

## Action

66. Summing up the discussion, the Chairman invited all parties concerned to note members' general view that it was necessary to extend and improve the existing interchange fare discount arrangement so as to attract WR patronage growth while bringing benefits to the travelling public.

*(Post-meeting note: A new interchange discount scheme at Nam Cheong and Mei Foo Stations was implemented on 1 May 2004. A joint press release by MTRCL and KCRC was issued to members vide LC Paper No. CB(1)1658/03-04(01).)*

## **VII Measures to enhance safety of school transport vehicles**

(LC Paper No. CB(1)1556/03-04(06) - Information paper provided by the Administration)

67. Members noted the paper provided by the Administration on the subject (LC Paper No. CB(1)1556/03-04(06)), which recommended pursuing the following measures to further enhance the service and safety of school transport vehicles:

- (a) to continue to launch education and publicity programmes on the importance of safety on school transport vehicles;
- (b) to require newly registered school transport vehicles to be equipped with safer seats according to TD's specifications; and
- (c) to make provision of escorts compulsory for school public light buses with 16 seats or less that served kindergartens.

68. Dr TANG Siu-tong referred to paragraph 18 of the paper, and sought clarification on the legal position of domestic helpers taking up work as escorts on nanny vans. The Deputy Secretary for the Environment, Transport and Works T3 (DS for ETW(T3)) advised that the relevant paragraph merely reflected from the views of the school transport trade when they were consulted on this matter. The Administration would carefully consider the legal issues involved when drawing up details of the relevant arrangements.

69. Mr CHENG Kar-foo enquired about the Administration's present position on some of the safety enhancement measures it had considered previously for school transport vehicles including the introduction of passenger seat belts particularly for the more vulnerable seats and the cancellation of the "3 for 2" counting rule.

70. DS for ETW(T3) stated that as previously reported to the Panel, the Administration had examined the case for the introduction of passenger seat belts for school transport vehicles taking into account all relevant factors including overseas experience. The conclusion was that since the benefits and risks of children's wearing

## Action

seat belts on school transport vehicles were subject to debate, there was no strong justification to require compulsory fitting and wearing of seat belts on these vehicles at the present stage. As such, there was no need to cancel the "3 for 2" counting rule.

71. Mr Albert HO considered that while the compulsory provision of escorts for school public light buses with 16 seats or less that served kindergartens was a step towards the right direction, the Administration should continue to monitor the situation and consider whether other in-vehicle safety enhancement features might be necessary, in particular restraining devices such as seat belts that could protect the school children from excessive impact upon collision.

72. DS for ETW(T3) explained that the main safety concern about in-vehicle restraining devices was that they might hinder the speedy and effective evacuation of the school children in case of accidents. In order to strike a right balance, the Administration now proposed to require newly registered school transport vehicles to be equipped with safer seats according to TD's specifications. One of the features of the proposed seats was that they must have energy absorbing seat back or barrier in front of each passenger. To a certain extent, this could help cushion the collision impact on the school children.

## **VIII Any other business**

73. Referring to the motion passed by the Panel in relation to the item on "Outlying islands ferry services in Hong Kong", Mrs Selina CHOW said that as she had to attend another meeting at that juncture, she could not register her vote in person. As such, she requested that her reservation on the motion be put on record as she did not agree that the cancellation or reduction of holiday fare would bring about any real benefits to the local residents. Mrs CHOW also reiterated her view that the criticisms made by Mr Albert CHAN against HKTB was neither fair nor justified. To facilitate members' understanding, she had tabled a set of publications and materials to illustrate HKTB's efforts on promoting the outlying islands in Hong Kong for other members' information.

*(Post-meeting note: A list of the publications and materials tabled by Mrs Selina CHOW was circulated to members vide LC Paper No. CB(1)1625/03-04.)*

Action

74. There being no other business, the meeting ended at 12:45 pm.

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