

立法會

Legislative Council

LC Paper No. CB(1)953/04-05

(These minutes have been
seen by the Administration)

Ref : CB1/PL/TP/1

Panel on Transport

Minutes of special meeting held on Friday, 21 January 2005, at 8:30 am in the Chamber of the Legislative Council Building

- Members present** : Hon LAU Kong-wah, JP (Chairman)
Hon Albert CHAN Wai-yip (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon LAU Chin-shek, JP
Hon Miriam LAU Kin-ye, GBS, JP
Hon Andrew CHENG Kar-foo
Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, BBS, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon CHEUNG Hok-ming, SBS, JP
Hon Patrick LAU Sau-shing, SBS, JP
- Members absent** : Hon TAM Yiu-chung, GBS, JP
Hon LEUNG Kwok-hung
- Public Officers attending** : Dr Sarah LIAO
Secretary for the Environment, Transport and Works
- Mr Joshua LAW
Permanent Secretary for the Environment, Transport and
Works

Mr Thomas CHOW
Deputy Secretary for the Environment, Transport and Works
(Transport) 1

Miss Cathy CHU
Deputy Secretary for the Environment, Transport and Works
(Transport) 2

Ms Annie CHOI
Deputy Secretary for the Environment, Transport and Works
(Transport) 3

Mr Patrick HO
Deputy Secretary for the Environment, Transport and Works
(Transport) 4

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

Staff in attendance : Ms Pauline NG
Assistant Secretary General 1

Ms Anita SIT
Senior Council Secretary (1)9

Miss Winnie CHENG
Legislative Assistant (1)5

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- I Briefing by Secretary for the Environment, Transport and Works on relevant policy initiatives in the Chief Executive's Policy Address 2005**
(LC Paper No. CB(1)705/04-05(01) - Information paper provided by the Administration)

The Chairman informed members that before this meeting, Mr CHENG Kar-foo had written to him requesting that the Administration be invited to provide written replies to the three questions raised in his letter. Mr CHENG's letter had been forwarded to the Administration before the meeting. As the written replies were not yet ready, the Chairman requested the Administration to provide written replies to Mr CHENG's written questions after the meeting, if it could not respond to these questions at the meeting.

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(*Post-meeting note*: The letter from Mr CHENG Kar-foo and the written replies from the Administration were issued vide LC Paper No. CB(1)783/04-05(01) on 25 January 2005.)

2. At the invitation of the Chairman, the Secretary for the Environment, Transport and Works (SETW) briefed members on the various new and on-going initiatives relevant to the transport portfolio of the Environment, Transport and Works Bureau (ETWB).

3. SETW referred to Mr CHENG Kar-foo's first written question asking SETW to list out, under her policy portfolio, five policies for which the Bureau needed to reflect on the lessons learned, and to explain how improvements could be made. She commented that the construction of the question was too formalistic and analogous to “三反、五反”. She considered that one should always not be complacent about the existing achievement or situation. Thus, her answer to Mr CHENG's question was that for each and every area of ETWB's work, the Bureau would strive to attain better results or performance.

4. Mr CHENG Kar-foo said that his question was founded on paragraph 19 of the Chief Executive's Policy Address 2005 in which the Chief Executive stated that “After much soul searching and a review of the successes and failures of our governance, my colleagues and I have taken stock of experience gained and lessons learnt”. His question was to seek SETW's elaboration on the lessons learnt in respect of her policy portfolio.

5. Mr LEE Wing-tat queried the propriety of SETW's use of the analogy of “三反、五反” to criticize Mr CHENG's written question. He considered SETW's criticism inappropriate and irrelevant. SETW clarified that she used “三反、五反” simply to illustrate that she found Mr CHENG's question formalistic as he had asked for a list of *five* (SETW's emphasis) policies for which ETWB should reflect on the lessons to be learnt. The point was why *five* but not three or other numbers.

Composition of Transport Advisory Committee

6. Mr WONG Kwok-hing said that “caring and just society” was one of the guiding principles of the Chief Executive's Policy Address 2005. In respect of transport policies, he highlighted that notwithstanding the repeated requests made by the labour unions of the transport trades for representation in the Transport Advisory Committee (TAC), all along, there was no representative from the labour unions sitting on the TAC. As such, the views of professional drivers had been overlooked in the process of formulating transport policies. It was thus questionable whether the existing composition of the TAC was concordant with the principle of “caring and just society”.

7. SETW said that the TAC comprised individuals from different sectors including the transport trades. The members were appointed in their personal capacities rather

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than through nominations from organizations. She however undertook to review the composition of the TAC taking into account Mr WONG's concern. She added that the Transport Department (TD) held regular meetings with the trade associations and labour unions of the transport trades to discuss matters of concern to the trades.

8. Mr WONG Kwok-hing said that while he was delighted to note SETW's undertaking to review the composition of the TAC, he had to point out that the current membership of the TAC did not include any individual belonging to the staff side of the transport trades. Since the TAC was the main consultative body for transport policies, he opined that it would only be fair if the staff side or labour unions of the transport trades were represented in the TAC.

Franchised bus operations

9. Mr WONG Kwok-hing also pointed out that in recent years, with the Kowloon Motor Bus Company (1933) Limited taking the lead, some franchised bus operators had changed the employment terms for their bus drivers to contract terms and in some cases, the contract period only lasted for one year. Further employment of bus drivers upon expiry of their employment contracts was subject to review, resulting in a lack of job security for bus drivers. He stressed that the new employment arrangements were not conducive to promoting good working morale amongst bus drivers, which in turn would affect the service quality of franchised bus operations.

10. SETW responded that the Administration's regulation of franchised bus operations was based on the overall public interest; the Administration did not have a role on the administrative matters of individual operators including their employment policies and practices, as these should be decided by the operators having regard to their operational requirements. She remarked that compared with the situation in the 1980s, the quality of franchised bus service nowadays had improved significantly, as revealed by the respective passenger satisfaction surveys conducted by the Administration and the individual franchised bus operators.

Service performance of the railway corporations

11. Mr CHENG Kar-foo said that on various occasions in the past months, SETW had repeatedly expressed grave concern and even dissatisfaction with the spate of railway incidents. He was disappointed that the Chief Executive's Policy Address 2005 and the 2005 Policy Agenda had ignored this important area of work. Highlighting that the public was very concerned about the service performance of the two railway corporations, Mr CHENG urged SETW to introduce a new performance indicator on train service disruptions so as to ensure effective monitoring of the service performance of the two railway corporations.

12. SETW said that the primary objective of Government policy was to ensure safety and reliability of the railway services. As the monitoring of the service performance of the two railway corporations was an ongoing task not involving any change in policies

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or addition to existing initiatives, this area of work had not been included in the Policy Address or Policy Agenda. She affirmed that the Administration adopted a robust approach in monitoring the safety and reliability of the railway services, and treated each railway incident seriously. In the past few months, the Administration had been in active dialogue with LegCo Members and the two railway corporations on the matter. In response to much public concern, the MTR Corporation Limited (MTRCL) had engaged experts to conduct an independent review on the Mass Transit Railway system. The Administration would study carefully the report and recommendations of the independent review to determine what further measures were required to enhance the performance of the railway services.

Public transport fares

13. Mr CHENG Kar-foo said that since 2003, SETW had indicated on several occasions that the Administration would like to see a reasonable downward adjustment of public transport fares. However, so far railways and franchised buses had only offered small fare concessions without lowering their fares. Noting that the Administration was still discussing details of the proposed fare adjustment mechanism with the franchised bus operators, he asked whether SETW was confident that within her current tenure (which was due to end in 2007), an objective and transparent fare adjustment mechanism which would allow fare adjustments in both directions could be successfully implemented.

14. SETW replied that over the past two years, operators of various transport modes had offered different kinds of fare concessions. The concessions to some extent had helped alleviate the financial burden on the public, and they amounted to hundreds of millions in total. In August 2003, the Administration put up a proposal to develop a more objective and transparent process for public transport fare adjustment. It had been agreed that the proposed fare adjustment process should be based on a price-cap model, which would allow transport fares to go up or down in light of the relevant factors and in accordance with a specified formula. The Administration had been discussing the details of the proposed mechanism with the franchised bus operators. The Administration was considering to incorporate the mechanism into the franchise agreements with bus companies and this could be done on renewal of the existing franchise agreements and in awarding new franchise agreements. She emphasized that as the mechanism to be put in place would have extensive and long-term effects on the transport trades and the commuting public, the Administration had to undertake much discussion with the franchised bus operators and other stakeholders with a view to coming up with a mechanism that would be acceptable to all the parties concerned.

15. Mr CHENG Kar-foo said that he supported the arrangement of incorporating the fare adjustment mechanism into the franchise agreements with bus companies. He was however still concerned that within her tenure, SETW could not convince all the existing franchised bus operators to accept the proposed mechanism, and that the new incumbent taking up the SETW post might change the policy. In that case, the work on the fare adjustment mechanism would be abortive. He thus suggested that whilst the

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Administration should continue to work hard on the proposed fare mechanism, it should also seek to implement other measures that were conducive to promoting a caring and fair society, such as mandatory implementation of sectional bus fares.

16. SETW affirmed that she would spare no effort in putting in place an objective and transparent mechanism for public transport fare adjustment within her tenure. However, she reckoned that success would depend on the cooperation of the stakeholders and the support of the community including LegCo Members.

Non-franchised bus operations

17. Ms LI Fung-ying said that given the existing transport policy whereby railways formed the backbone of the public transport network, the Administration had been focusing on railway development and seemed to have overlooked the development of other transport modes. She asked whether the Administration would undertake a comprehensive review of the transport policy and then give a clear indication to all minor public transport modes on their roles in the public transport network and their future development prospects. Referring to non-franchised bus (NFB) service, she conveyed the concern of the NFB trade that the proposed regulatory framework and licensing system for non-franchised bus operation proposed by the Administration would seriously affect the viability of the trade's operations.

18. SETW said that one important mission of ETWB was to rationalize the services of various transport modes to adequately meet the traffic demand of the public and to maintain a healthy competitive environment for the trades. She understood that due to significant improvements in the services of the mass transport modes, the operating environment of those transport modes providing relatively personalized services was getting more difficult. Also with the expansion of the railway network, the demand for long haul road transport service had reduced. She further said that given the scarcity of land and heavy traffic demand in Hong Kong, it would not be desirable if there were an excessive number of vehicles and too much road traffic. The policy of positioning railways as the backbone of the public transport network was accepted by the community at large. The other modes, including public light buses, NFBs and taxis performed a supplementary role in the public transport system. In the past, railway planning and highway infrastructure planning were conducted separately with little interface. With the establishment of the computerized Railway Transport Model in the Highways Department a few years ago, the Administration had been able to conduct a comprehensive assessment on the likely impacts of any planned railway infrastructure on other transport modes, and conversely the likely impacts of any planned highway infrastructure on the existing railway network. Hence, nowadays, the Administration was able to formulate railway/highway development plans using a holistic approach which took into account the impacts on various public transport modes.

19. As regards NFB operations, SETW highlighted that at present, there were over 7 000 NFBs operating in the territory as compared to some 5 000 franchised buses. Apparently, the balance between NFBs and other public transport modes had been

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upset. The excessive supply of NFBs and the unauthorized activities of some NFBs had also caused traffic problems. Under the circumstances, the Administration must critically review the situation to ensure that NFB operations were properly regulated.

20. Ms LI Fung-ying said that what the NFB trade asked for was to allow them to compete fairly with other transport modes. During the last Panel discussion on the related issues in July 2004, the Administration had undertaken to consult the trade before implementing any new measures on the regulation of NFB operations. However, according to the NFB trade, the Administration rejected the trade's proposal to freeze the number of NFBs. Instead, the Administration sought to exercise stringent control over the renewal of existing passenger service licences or endorsements, thus seriously affecting existing NFB operators.

21. SETW explained that at present, unlike other transport modes such as public light buses and taxis, NFB operators did not need to pay a premium for a NFB. They were only required to pay an annual licence fee of a few thousands. Thus, pursuing a fleet cap would have serious implications. Moreover, if NFB operations were not properly regulated, the operational viability of other transport modes would be seriously affected.

Transport policies vis-à-vis the employment market

22. Mr LI Fung-ying said that one major theme of the 2005 Policy Agenda was to increase employment opportunities and many initiatives under ETWB had important impact on the employment market. She enquired how far the initiatives under SETW's purview could complement the objective of increasing employment opportunities.

23. SETW replied that basically, the staffing requirements of various transport modes depended on the respective service demand and it would not be appropriate for the Administration to mandate the operators to maintain their fleets at certain levels for the sake of maintaining a certain number of jobs. However, for the merger discussion between the two railway corporations, the Administration had made it a key parameter to ensure the job security for frontline staff at the time of the merger. She noticed that when the labour market was at a low, many of those who had become unemployed would take up taxi driving as a temporary job while they were seeking another job. She thus appreciated that the taxi trade served a buffering function in the labour market.

Provision of transport facilities to complement tourism development

24. Mrs Selina CHOW said that in discussing the development of tourism facilities in Lantau, members of the Tourism Board raised the concern that the existing road infrastructure for traffic between North and South Lantau would pose serious constraints on the future development of South Lantau. She considered that South Lantau had very good potential for development and opined that a sustainable development approach should be adopted in planning the future development in South Lantau. She did not agree with the view of some green groups that in order to preserve

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the natural environment of South Lantau, there should be minimal development in South Lantau.

25. SETW shared Mrs CHOW's concern that the future development in Lantau should be complemented by adequate transport infrastructure facilities. She advised that construction works were being undertaken to widen the Tung Chung Road from a single-lane road for two-way traffic to a single two-lane road for two-way traffic. As regards the South Lantau Road, the Administration was examining the feasibility of making improvements to the road. SETW also concurred with Mrs CHOW that a sustainable development approach should be adopted for planning the future development in South Lantau. She remarked that sustainable development implied the need to balance economic development and conservation of the environment. Without economic development, the environment might deteriorate due to lack of resources for conservation.

26. Mrs Selina CHOW relayed the concern of the tourism industry that whilst the Administration was making efforts in promoting tourism, it seemed to have overlooked the provision of adequate complementary transport facilities. As a result of such inadequacy, tour operators often had to compete among themselves for parking and loading/unloading space at popular tourist spots. She urged the Administration to put more efforts in the planning and provision of transport facilities to complement the development of inbound tourism. SETW acknowledged that the access roads to a number of popular tourist spots were built a long time ago and were very narrow. She advised that the Administration was reviewing the situation to see whether and how improvements could be made at individual locations.

Second stage of Tolo Highway widening project

27. Mr CHENG Hok-ming said that the construction works for the first stage Tolo Highway widening had been completed and he understood that the Administration had already completed the detailed design for the second stage of the Tolo Highway widening. For the latter project, the Administration had frozen a substantial amount of private land prohibiting any development on the land. He enquired about the present status of the second stage of the Tolo Highway widening project. SETW advised that the second stage of the Tolo Highway widening project was still under planning, and the implementation schedule for the project was not confirmed at this stage.

28. Mr CHEUNG Hok-ming opined that it was unfair to the relevant land owners as the Administration had frozen their land but did not give a clear indication of whether and when the land would be resumed for public works. SETW confirmed that the second stage of the Tolo Highway widening project was still included in the Public Works Programme. She noted Mr CHEUNG's concern and agreed to make a decision on the implementation schedule of the project as soon as possible.

New Boundary bridge at Sha Tau Kok crossing

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29. Noting that a new boundary bridge at the Sha Tau Kok crossing was scheduled for completion in early 2005, Mr Geoffrey LAM pointed out that the existing approach road to the crossing was rather narrow and any traffic accident on the road could result in serious traffic congestion. He enquired if the Administration had any plan to improve the connecting road network. SETW advised that the new bridge had been commissioned on 19 January 2005. At present, the Administration did not have particular plans regarding the connecting road network. She welcomed Mr LAM to provide further views on the required improvements to the connecting road network.

Pedestrian schemes

30. Mr LAU Sau-sing pointed out that pedestrian walkway systems formed part of the public transport network and were a good means to reduce road traffic and the pollution generated from road traffic. Well-planned pedestrian walkway systems could provide safe, uninterrupted and pleasant passageways for pedestrian movements whilst reducing conflict between pedestrians and vehicular traffic. Moreover, where space allowed, pedestrian walkways could accommodate commercial facilities, which in turn could create employment opportunities. He urged the Administration to give more attention to the development of pedestrian walkway systems in the territory.

31. SETW said that in the past few years, TD had been actively exploring the feasibility of providing pedestrian walkway systems and pedestrianized areas in various districts. In Hong Kong, due to the scarcity of land, provision of pedestrianized areas would be likely to cause pressure to the roads in the vicinity, and therefore in each case, the Administration would conduct a detailed study to assess the possible impacts of pedestrianization on vehicular traffic in the area concerned. Currently, the Administration had plans to develop more pedestrianized areas and pedestrian walkway systems in Sheung Wan and Tsim Sha Tsui.

32. Mr LAU Sau-sing opined that for Hong Kong, development of more pedestrian schemes was a policy worth pursuing. He pointed out that pedestrian schemes could take the form of underground walkways, footbridges and pedestrianized areas. To serve as an effective alternative to road traffic, the pedestrian facilities within a district or region should be well connected.

33. SETW thanked Mr LAU for his views and agreed to give more thoughts to the development of pedestrian schemes. As regards efforts to alleviate vehicular traffic congestion, she advised that TD had undertaken a comprehensive re-engineering of bus routes and bus schedules, and as a result, the bus trips in Central, Nathan Road and Yee Wo Street during peak hours had reduced by 10% to 20%. There was also a significant reduction in bus stoppings in these areas. At the same time, the Administration had encouraged the franchised bus operators to provide interchange discounts for the bus routes involved in the re-engineering exercise. TD would continue its efforts in this direction in collaboration with the local communities.

West Hong Kong Island Line and South Hong Kong Island Line

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34. Regarding West Hong Kong Island Line (WIL) and South Hong Kong Island Line (SIL), Ir Dr Raymond HO referred to the statement in the Administration's paper that "Based on the recent performance of the West Rail, we will re-examine the patronage forecast of WIL/SIL as generated by the transport model so as to further validate the system configuration, the transport and other economic performance of the project and the size of the funding gap that need to be bridged by the Government". He said that the Administration had already carried out detailed studies on WIL and SIL and questioned why it was necessary to re-examine the patronage forecast of the two proposed rail lines on the basis of the performance of the West Rail. He also pointed out that the demographic characteristics of North West New Territories (NWNT) were different from those of the Hong Kong Island. For example, the population of Hong Kong Island was quite stable while there would be continuous growth of population in NWNT in the foreseeable future. The other differences such as household income level and occupations etc. would also give rise to different propensities of the residents in the choice of transport modes.

35. SETW concurred with Dr HO that the forecast patronage of a new railway was related to a number of factors and the demographic characteristics of the catchment region were important factors. In the case of West Rail, the forecast patronage was much higher than the actual patronage, and this could be attributed to the reasons that the actual population size was lower than the forecast population size of NWNT and the improvements in road infrastructure and road transport services. The performance of West Rail provided a good reference for fine tuning the Administration's transport model used for generating the forecast patronage of planned rail lines. She remarked that whilst new railways would provide greater convenience to the commuting public, they involved substantial investment and thus the Administration must carefully examine their cost-effectiveness and viability in accordance with the prudent financial management principle.

Central Wanchai Bypass

36. Ms Miriam LAU said that the traffic congestion situation in areas from Wanchai to Sheung Wan had deteriorated in recent years. To address the problem, it was necessary to construct the Central Wanchai Bypass (CWB). Pointing out that the project had been under planning for a number of years and yet there was no implementation timetable in the 2005 Policy Agenda, she enquired about the present status of the project and its implementation timetable.

37. SETW confirmed that CWB was still on the Administration's policy agenda. The relevant reclamation works in the Central District and the other pre-construction preparatory work for CWB were underway. The reclamation works for the CWB in Wan Chai were previously planned under the Wan Chai Development Phase II (WDII) project, which was currently under review pursuant to the judgement of the Court of Final Appeal on the project. As a revised plan for WDII, which required the approval of

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the Town Planning Board, was not yet available, there was practical difficulty for the Administration to determine the implementation timetable for CWB.

Shatin and Central Link

38. Mr Albert CHAN said that according to the original plan, the construction works for the Shatin and Central Link (SCL) should have started one to two years ago. The present delay in the project had adversely affected the economy and aggravated the unemployment situation. Noting that the Administration was examining the SCL Scheme in the joint report submitted by MTRCL and the Kowloon-Canton Railway Corporation (KCRC) on their assessment of the feasibility of a merger of the two corporations, Mr CHAN expressed his worry that the implementation of the SCL project would be withheld pending the outcome of the proposed merger of the two corporations. He thus asked SETW to provide a confirmed implementation timetable for SCL.

39. SETW said that since the proposed SCL project was awarded to KCRC in June 2002, there had been ongoing planning work for SCL. In the course of planning, some issues including the locations of certain stations and the related interchange arrangements could not be resolved between the two corporations. In the context of the proposed merger of the two corporations, the Administration had directed the two corporations to cooperate and actively explore possible options to best serve the public. Thus, there was no question of the SCL project having been delayed by the proposed merger.

40. Mr Albert CHAN further asked whether SCL would be implemented only after the completion of the merger process. He considered that when the relevant preparatory work had been completed, the Administration should proceed with the construction of SCL without awaiting the completion of the merger process. SETW advised that the Administration had not made a decision on the implementation timetable for SCL at this stage, as further study on the SCL Scheme was required to establish the appropriate alignment for the rail line and which section(s) of it should and might be carried out first.

Franchises for bus routes

41. Mr LEE Wing-tat considered that the existing arrangements for renewal of the franchises for bus routes were in effect authorizing the existing franchised operators to monopolize the bus routes under their respective franchises. He opined that upon the expiry of a franchise, the relevant bus routes should be put to open tender by eligible operators. Otherwise, there would be little improvement in franchised bus services.

42. SETW responded that currently, the duration of individual franchises for bus routes varied, ranging from 5 years to 10 years. To encourage bus companies to make adequate investment into their bus fleets to maintain a satisfactory service level, there were conditions in the franchise agreements to the effect that on renewal of a franchise,

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the Government would be prepared to allow the operator concerned to continue to operate the existing bus routes under the franchise if the relevant service performance was accepted by the public. This arrangement had been in place for years but the Administration was prepared to review what further improvements could be made to the existing arrangement.

43. Mr LEE Wing-tat said that apparently, opening up the franchises for bus routes through an open tendering mechanism would better serve the public. He clarified that he was not seeking to change the existing franchise terms, but considered it necessary for the Administration to look into the existing arrangement and identify inadequacies in the existing franchise terms.

II Any other business

44. There being no other business, the meeting ended at 9:37 am.

Council Business Division 1
Legislative Council Secretariat
21 February 2005