

**立法會**  
**Legislative Council**

LC Paper No. CB(1)1968/04-05  
(These minutes have been seen  
by the Administration)

Ref: CB1/PS/1/04/1

**Panel on Transport**

**Subcommittee on Matters Relating to Railways**

**Minutes of meeting on  
Friday, 6 May 2005, at 10:45 am  
in Conference Room A of the Legislative Council Building**

- Members present** : Hon Miriam LAU Kin-ye, GBS, JP (Chairman)  
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP  
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP  
Hon LAU Kong-wah, JP  
Hon Andrew CHENG Kar-foo  
Hon TAM Yiu-chung, GBS, JP  
Hon Abraham SHEK Lai-him, JP  
Hon Tommy CHEUNG Yu-yan, JP  
Hon Albert CHAN Wai-yip  
Hon WONG Kwok-hing, MH  
Hon LEE Wing-tat  
Hon Jeffrey LAM Kin-fung, SBS, JP  
Hon Patrick LAU Sau-shing, SBS, JP
- Public Officers attending** : **Agenda item IV**  
Miss Cathy CHU  
Deputy Secretary for the Environment, Transport and Works  
  
Mr William SHIU  
Principal Assistant Secretary for the Environment,  
Transport and Works  
  
Mr Albert YUEN  
Assistant Commissioner for Transport/  
Bus and Railway

Mr CHAN Kin-kwong  
Government Engineer/Railway Development  
Highways Department

Mr K H LO  
Chief Inspecting Officer (Railways)  
Hong Kong Railway Inspectorate Section  
Environment, Transport and Works Bureau

**Agenda item V**

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

Mr William SHIU  
Principal Assistant Secretary for the Environment,  
Transport and Works

Mr K H LO  
Chief Inspecting Officer (Railways)  
Hong Kong Railway Inspectorate Section  
Environment, Transport and Works Bureau

**Agenda item VI**

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

Mr William SHIU  
Principal Assistant Secretary for the Environment,  
Transport and Works

Miss Alice AU-YEUNG  
Principal Transport Officer/Bus and Railway  
Transport Department

**Attendance by  
invitation**

**: Agenda items IV and V**

**MTR Corporation Limited**

Mr Andrew McCUSKER  
Deputy Operations Director

Mr Wilfred LAU  
Head of Operations

Ms Maggie SO  
External Affairs Manager

**Agenda item VI**

**Kowloon-Canton Railway Corporation**

Mr W K TSUI  
General Manager, West Rail Operations

Mrs Grace LAM  
General Manager, Corporate Affairs

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

**Staff in attendance** : Mrs Mary TANG  
Senior Council Secretary (1)2

Miss Winnie CHENG  
Legislative Assistant (1)5

---

**Action**

**I Confirmation of minutes of meeting and matters arising**  
(LC Paper No. CB(1)1333/04-05 - Minutes of meeting held on  
4 March 2005)

The minutes of the meeting held on 4 March 2005 were confirmed.

**II Information papers issued since last meeting**

2. Members noted that no information paper had been issued since last meeting.

**III Items for discussion at the next meeting scheduled for 15 July 2005**

(LC Paper No. CB(1)1406/04-05(01) - List of outstanding items for  
discussion

LC Paper No. CB(1)1406/04-05(02) - List of follow-up actions)

3. Members agreed that the following items proposed by the Administration would be discussed at the next meeting scheduled for 15 July 2005-

Action

- (a) Northern Link; and
- (b) Guangzhou-Shenzhen-Hong Kong Express Rail Link.

4. At the request of Mr Andrew CHENG, it was agreed that a special meeting be held in June 2005 to discuss the non-stopping of an East Rail train at Tai Wo Station on 28 April 2005.

**IV Progress update on Disneyland Resort Line**

- (LC Paper No. CB(1)1374/04-05(01) - Information paper provided by the MTR Corporation Limited
- LC Paper No. CB(1)1408/04-05 - Background brief on "Disneyland Resort Line" prepared by the Legislative Council Secretariat)

5. With the use of a power point, Mr Andrew McCUSKER, Deputy Operations Director, MTR Corporation Limited (DOD/MTRCL) provided a progress update on Disneyland Resort Line (DRL) which served to provide a rail shuttle between Sunny Bay and the upcoming Hong Kong Disneyland Theme Park (HKD). Ms Maggie SO, External Affairs Manager, MTRCL said that members of the Subcommittee would be invited to ride on DRL some time in June/July 2005 when the testing on the rail system was completed. Members however indicated preference for a joint visit of the Theme Park with the Economic Services Panel when DRL was ready for use.

Fare levels for DRL

6. Referring to the experience of the Airport Express Line (AEL) whereby the initial patronage forecast was too optimistic and fares were set too high which failed to attract utilization from the outset, Mr LAU Kong-wah was concerned that the same would replicate in the case of DRL. He suggested that DRL should provide promotional offers particularly during the opening period to improve its patronage by making it more attractive for families and group visitors. Mr WONG Kwok-hing said that, given the short distance between Sunny Bay Station and Disneyland Resort Station, the DRL fare of \$5.6 per ride was considered overpriced, because the same amount would have covered an eight-stop ride from Sheung Wan to Quarry Bay. There was room for fare reduction as Government was actually subsidizing the DRL operation with its waiver of dividends. He enquired if MTRCL and HKD would be prepared to consider the provision of package fares, similar to the arrangement between Ocean Park and Citybus, in an attempt to provide a more attractive package for visitors to access HKD through DRL.

7. DOD/MTRCL said that while DRL was more environmentally friendly and would expect to be the predominant route for accessing HKD, it would be facing keen competition from franchised buses and taxis. He said that MTRCL was under obligation to meet a steady rate of return and a lot of time and efforts were spent in

## Action

determining the fare levels. The fares being set for DRL were very competitive and were in line with the existing fare structure. MTRCL would monitor the performance and operation of DRL. If it was found that the fares set were not competitive, consideration would be given to reviewing the fare level and/or offering discounts and group/family packages as appropriate.

### Transport arrangements for HKD

8. Mr LAU Kong-wah enquired about the transport arrangements for accessing HKD and whether minibus services would be provided. DSETW said that public transport arrangements for HKD were worked out having regard to the number of visitors, their arrival/departure times, mode of transport and the need to maintain healthy competition among service providers to ensure commuters' choice. As it was expected that the majority of HKD visitors would arrive early and would depart soon after the fireworks display, mass transport modes like buses and railways would be provided to cater to the needs of the crowds. Minibus services would not be considered at this stage on grounds of their limited capacity.

9. Mr WONG Kwok-hing was concerned whether the four-car trains of DRL would be adequate to meet passenger demands and whether visitors arriving HKD by DRL could be turned away if the quota for HKD was full. Sharing similar concern, Mr TAM Yiu-chung said that with its unique design, DRL should be able to attract a large number of passengers. While it would be receiving interchanging passengers from different stations of the Tung Chung Line, its capacity would be limited by the four-car trains each carrying only 720 passengers. Furthermore, as the majority of HKD visitors would be arriving and departing at the same time, DRL would have much difficulty in coping with the demand. As a result, a lot of passengers might have to be turned away and this would generate negative publicity for HKD.

10. DOD/MTRCL said that the transport arrangements had been looked into extensively by MTRCL and the Administration. DRL which provided a leisure service with a capacity of 10 800 passengers per hour in each direction was considered sufficient to meet passenger demands. MTRCL had gained a lot of experience in managing crowds and contingency measures were kept in place. Therefore, it was confident that the crowds could be managed successfully and with ease. Information on park admission arrangement of HKD would be made available to passengers at the Tung Chung Line through the broadcasting system. Visitors could also be diverted to sightseeing spots such as the Park Promenade and the Inspiration Lake Recreation Centre. DSETW added that as the number of visitors arriving HKD in the morning peak was expected to be about 11 000 per hour, DRL's carrying capacity of 10 800 passengers per hour which could be further stretched to 17 000 passengers per hour should be sufficient to meet passenger demand.

### Financing arrangements for DRL

11. Mr LAU Kong-wah said that as the financing of DRL was made possible through Government's waiver of its claim of dividends of \$798 million, he enquired

Action

whether the waived dividends could be recovered from MTRCL if the operation of DRL turned out to be profitable. Mr Tommy CHEUNG was also interested to find out if the waived dividends could be recoverable from MTRCL if the investment return was higher than expected, as similar arrangements might have to be worked out in the construction of the South Hong Kong Island Line (SIL). DOD/MTRCL said that as a major shareholder of MTRCL, Government would be able to derive enhanced returns if the business was profitable. The mechanism for Government to share additional revenue was already in place. The Deputy Secretary for the Environment, Transport and Works (DSETW) said that as the financial arrangements were worked out by the Financial Services and the Treasury Bureau, she agreed to revert to the Bureau and provide a written response.

12. Referring to the waived dividend of \$798 million which comprised 40% of the construction cost of \$2 billion for DRL, Mr Andrew CHENG said that DRL was in fact a Government-subsidized railway. That being the case, MTRCL should not have set the DRL fare level in line with the existing fare structure but should consider providing discounted fares for the benefit of the public. Furthermore, in the event that DRL was able to achieve the expected investment return, the waived dividend should be recovered from MTRCL. DOD/MTRCL said that the HKD project was part of Government's plan to attract people to Hong Kong and to boost the local economy. The project was constructed based on a set of terms and MTRCL would bear the risk if DRL was not able to achieve its expected investment return. DSETW said that the Administration had explained to the Transport Panel earlier that the funding support through a dividend waiver was not a cost to the Government but should be treated as retention and enhancement in value of Government's investment in MTRCL. As regards the fare level, DSETW said that MTRCL had the autonomy to adjust its fares.

13. Mr LEE Wing-tat enquired about the expected investment return of DRL. He pointed out that the investment return of AEL was low as passengers would prefer to take buses which were both cheap and comfortable. There had been complaints from the public that Government had been trying to suppress bus services in an attempt to increase reliance on rail services with which it had vested interest. DSETW said that it had all along been the transport policy that railways would be the backbone of the transport system in Hong Kong. Notwithstanding, the Government had attached great importance to the provision of bus services and District Councils were consulted on the route development plans. DOD/MTRCL said that Government had contributed to the construction of DRL and MTRCL was obliged to make a return of 1% to 3% above the weighted average cost of capital. However, the details of returns were commercially sensitive and could not be disclosed. Mr LEE Wing-tat was concerned that the rate of return of DRL was very low as compared to the East Rail which was 8% to 10%. As the construction of DRL was subsidized by Government through its waiver of dividends, it would be set to lose if DRL was not financially viable.

14. Mr Albert CHAN said that the DRL project had demonstrated Government's keen commitment to proceed at all cost. It appeared that Government had not learnt

Action

from the experience of AEL and the present investment on DRL was yet another erroneous decision. Through the dividend waiver, Government had subsidized \$798 million in the construction of DRL. However, this had not gone through the proper funding channels and the Legislative Council had not been consulted. Such practice had deviated from the provisions under the Public Finance Ordinance and was not in the public interest. Unlike AEL, the financial assumptions for DRL had not been made available for public inspection. With the expected patronage of HKD at 30 000 visitors per day and assuming that half of this number would be traveling by DRL, the total fare collected would be \$65.7 million per year. This would not be able to yield the expected investment return of 1% to 3% above the weighted average cost of capital of \$2 billion for DRL. As such, the DRL project was considered a high investment with low returns. In an attempt to improve the patronage of DRL, Government would be increasing the fares for buses accessing HKD, thereby sacrificing the interest of the public. DOD/MTRCL said that the financial returns were worked out based on projections. He reminded members that since 2000, MTRCL had become a listed company and it had to operate in a commercial environment. As such, he regretted that he could not provide further details on the financial returns as these were commercially sensitive. DSETW said that the rationale for waiving the dividends had been explained to members before the waiver was granted.

15. Mr Andrew CHENG said that funding support in the form of waiving of dividends for the construction of DRL had set a bad precedent, as public money had been used to subsidize the construction while MTRCL would be pocketing the proceeds. With the subsidy given, MTRCL should at least reduce the fare level for DRL instead of adhering to its existing fare structure. Referring to the provision of SIL to tie in with the redevelopment of Ocean Park and other developments in the Southern District, he said that Government might likewise have to subsidize its construction through waiving of dividends, as similar to DRL, SIL was also not a financially viable project. He therefore considered it necessary that the Administration should provide members with a straight answer on the recovery of the waived dividends and explain the factors which would be taken into account in considering whether the dividends should be recovered. The Principal Assistant Secretary for the Environment, Transport and Works said that the background to the waiving of dividends had been set out in the background brief prepared by the Legislative Council Secretariat. He agreed to provide written response to the concerns raised by members on the waived dividends together with details of the financing arrangements for DRL.

16. The Chairman suggested that, given members' keen interest in the financing arrangements for DRL, a meeting should be held to discuss the subject after the commissioning of DRL, taking into account the patronage and market share of DRL and representatives of the Financial Services and the Treasury Bureau and the transport branch of the Environment, Transport and Works Bureau would be invited to attend. Mr LEE Wing-tat however said that as a lot of financial projections for DRL which should be made available to members had not been provided on grounds that these were commercially sensitive, he requested that the meeting should be held before the commissioning of DRL so that members could be provided with more information on

Action

the financing arrangement. It was agreed that the subject should be included in the agenda for the special meeting scheduled for June 2005 and that the following information should be provided to facilitate discussion-

- (a) details of financial assumptions for DRL, including the projected patronage, fare revenues, operating costs, market share, internal rate of return etc, when arriving at the funding gap of \$798 million in 2002; and
- (b) in case the actual fare revenues of internal rate of return of DRL exceeded the original estimates, whether, when and how the waived dividends for filling the funding gap of DRL could be recovered by the Government.

**V Retrofitting of platform screen doors at MTR stations**

(LC Paper No. CB(1)1406/04-05(03) - Information paper provided by the MTR Corporation Limited)

17. Mr TAM Yiu-chung enquired if there were any measures to improve the ventilation at the underground stations retrofitted with PSDs, notably the overcrowded stations at Tsim Sha Tsui and Mongkok, because they were found to be quite stuffy. DOD/MTRCL said that a lot of construction works were being carried at the Tsim Sha Tsui Station which might be the cause of stuffiness in the area. He agreed to look into the situation and see if the ventilation could be improved. Responding further to Mr TAM, he advised that the temperature of the platform was set at 26 while that of the concourse was 28 or 29 .

18. Mr WONG Kwok-hing said that he was pleased to note that the retrofitting of platform screen doors (PSDs) at underground MTR stations would be completed on schedule and within budget by early 2006. Given that passengers' safety should be of primary concern, he questioned the need for MTRCL to further study the experience of DRL before examining the feasibility of retrofitting PSDs at at-grade and aboveground stations. He considered it necessary that PSDs should be provided at all stations as soon as possible in order to protect passengers, especially the visually impaired and young children, from falling into the rail tracks. As such, he requested that a time table for the retrofitting of PSDs at at-grade and aboveground stations be drawn up. DOD/MTRCL said that the retrofitting of PSDs at existing at-grade and aboveground stations was a difficult technical job with a high complexity. MTR was the world's first railway to undertake retrofitting of PSDs in a metro system already in operation. It would need to take operational experience from DRL before proceeding with the feasibility study on the retrofitting of PSDs, platform gates or any other alternatives at at-grade and aboveground stations, which would expect to start in 2006.

19. Noting that MTRCL had been collecting ten cents per trip from Octopus passengers for subsidizing the MTR PSD Retrofit Programme (the Retrofit Programme), Mr WONG Kwok-hing sought clarification on when the collection would cease since the retrofitting of PSDs at underground stations would expect to



Action

complete in 2006 while the retrofitting of PSDs at at-grade and aboveground stations had yet to commence. DOD/MTRCL said that the total project cost of the Retrofit Programme was over \$2 billion and it had been progressing well. The collection of ten cents per trip had contributed to the ongoing expenditure for retrofitting, cleaning and maintenance of PSDs.

20. Mr WONG Kwok-hing pointed out the passenger contribution was made on the understanding that this would contribute to the retrofitting of PSDs but not to their cleaning/maintenance on an ongoing basis. Sharing similar concern, Mr LAU Kong-wah said that under the original understanding, the collection would cease when the contribution reached \$1 billion, equivalent to half of the total project cost. However, judging from MTRCL's explanation, the contribution would be ongoing and there would not be an end date for such contribution. He said that there was a need for clarification in this respect. DOD/MTRCL said that the contribution of ten cents per ride would be continued well into the future as PSDs would need to be up kept, maintained, modernized and replaced as necessary.

21. Mr LAU Kong-wah considered it unfair that the passenger contribution should be continued well into the future because this was contrary to what was originally agreed. He said that the contribution was only meant to share out the construction cost as the other costs relating to maintenance and up keeping should have already been reflected in the existing fare structure. He requested that the income and expenditure accounts for the Retrofit Programme should be provided for members' reference as these would set out how much contribution had been collected and when the target contribution would be reached. Sharing similar concern, the Chairman said that members were dissatisfied that the contribution, which was meant to cover the construction cost, would have to be collected over an indefinite period. DOD/MTRCL said that MTRCL had incorporated the ten cents contribution into the fare as PSDs had to be maintained perpetually in order to provide a high level of service standard. So far, it had collected about \$300 million from the contribution from passengers. As with all other assets, PSDs would need to be replaced from time to time and the replacement cost would form part of the normal expenditure.

22. Mr Andrew CHENG said that it was unfair that MTRCL, which had been highly regarded as a provider of one of the best rail system in the world, should charge passengers for installing PSDs since these were safety features which should have been installed long ago. He also found it absurd that the collection of passenger contribution, which was intended only to recover part of the construction cost, would be collected indefinitely for the maintenance and repair of PSDs. He enquired about Government's stance over the collection arrangement since as a guardian of public interest as well as a major shareholder of MTRCL, it should try to stop this unfair arrangement. He added that given its huge profits, MTRCL should not continue with collection arrangement, which was tantamount to a fare increase.

23. In response, DSETW said that the justifications for the collection of ten cents per ride from Octopus passengers had been provided to members when the collection was made in July 2000 for subsidizing the Retrofit Programme. The contribution

Action

was intended to relieve pressure from fare increases arising from the cost of retrofitting PSDs. MTRCL would be requested to provide more details on the income and expenditure for the Retrofit Programme and the time frame for continued collection of passenger contribution. However, she stressed that as a listed company, MTRCL could make financial decisions on its own. DOD/MTRCL explained that the project plan for retrofitting of PSDs was based on a 40 year period. There was a need to maintain the standard required by the public and about half of the retrofitting cost would be recovered from passengers.

24. Mr Albert CHAN opined that it was wrong from the start to allow the public listing of MTRCL. He said that the collection of ten cents per ride for retrofitting of PSDs had reflected MTRCL's failure in the discharge of corporate responsibility. MTRCL had been distorting the facts by continuing with the collection arrangements on an ongoing basis. It was trying to deceive the public by refusing to disclose its accounts, claiming that these were commercially sensitive. He considered it necessary that MTRCL should be condemned for its actions and he wished to put this on record. On a separate issue, he also queried why MTRCL had installed iron grills at the Tsuen Wan MTR Station without any consultation. He opined that such installation was an eyesore to the public and was unnecessary and wasteful.

25. The Chairman advised that Mr Andrew CHENG would like to move the following motion which was seconded by Mr Albert CHAN-

“That this Subcommittee strongly urges MTRCL to stop collecting ten cents per ride from passengers upon completion of the PSD Retrofit Programme in 2006.”

26. Mr WONG Kwok-hing clarified that he had commended MTRCL for retrofitting PSDs at underground stations but not for its ongoing collection of passenger contribution. As the original understanding was that the passenger contribution was meant to subsidize the construction cost but not the cleaning and maintenance expenses, there was a need for an explanation by MTRCL. As such he would wish to amend Mr Andrew CHENG's motion as follows-

“That this Subcommittee strongly urges MTRCL to stop collecting ten cents per ride from passengers upon completion of the PSD Retrofit Programme in 2006, and to provide the income and expenditure accounts for the Programme together with a time table for retrofitting PSDs at at-grade and aboveground stations.”

27. Mr LAU Kong-wah said that as MTRCL had been requested to provide more information about the collection arrangements and the Retrofit Programme, there was a need to further discuss the subject in the light of the information provided before the motion was put to vote. He suggested and members agreed that the subject be included in the agenda for the special meeting in June 2005. Mr Andrew CHENG and Mr WONG Kwok-hing both agreed that the motion be deferred to the meeting in June 2005. Mr Andrew CHENG stressed that the Democratic Party could not accept

Action

that the passenger contribution of ten cents per ride would be used for purposes other than subsidizing the retrofitting cost of PSDs. The Chairman said that MTRCL would be required to provide information as requested by members while the Administration would have to explain its role as a guardian of public interest at the next meeting.

*(Post meeting note: With the concurrence of the Chairman, the special meeting was scheduled for 13 June 2005 at 2:30 pm to discuss the non-stopping of an East Rail train at Tai Wo Station on 28 April 2005, the Disneyland Resort Line and the retrofitting of platform screen doors at MTR stations.)*

**VI Open fare system for Light Rail stations**

(LC Paper No. CB(1)1406/04-05(04) - Information paper provided by the Kowloon-Canton Railway Corporation)

28. Mr Albert CHAN said that although the Light Rail (LR) had been in service since the eighties, there had not been much improvement to the system. Under the open fare system (OFS) adopted by LR since its implementation, there had often been cases where passengers were penalized for failure to produce valid tickets. This had led to a lot of psychological pressure on the part of passengers, in particular those elderlies who forgot to buy tickets. He said that some of these passengers had approached his district office for assistance, complaining about the psychological impact of such penalization. He enquired if there were any means to improve the situation.

29. Mr WK TSUI, General Manger, West Rail Operations, Kowloon-Canton Railway Corporation (GMWRO/KCRC) said that OFS was widely adopted in developed countries, especially in Europe and America. It was adopted in Hong Kong for use by LR since its commissioning in 1988 as it was well suited to the geographical environment along the LR alignment at Yuen Long and Tuen Mun. It had since been providing a convenient and speedy service for a large number of passengers traveling at the same time. As LR had been in operation for 16 years, most residents were familiar with the operation of OFS and fully aware of the traveling norm of "ticketing before boarding". For the past three years, the fare evasion rate remained at about 0.4% per year. Of the 17 000 passengers who were subject to a surcharge in 2004, only a minority of them were elderlies and young children.

30. Noting that discretion would be exercised for some special cases involving evasion of fares, Mr TAM Yiu-chung enquired about the circumstances under which discretion would be exercised. He also enquired if the persons caught for evading fares were new arrivals or tourists who might not be aware of the operation of OFS. GMWRO/KCRC explained that KCRC had established an appeal channel for passengers who had breached the by-laws and were subject to surcharge to explain the reasons for not being able to present a valid ticket. Each appeal case would be handled independently and discretion would be exercised flexibly. KCRC would

Action

examine passenger's explanation before a final decision on the application for waiving the surcharge was made. Over the years, about 30% of the appeals for waiving of surcharge were successful. These appellants would include tourists, rare users of LR or non-local residents etc who were not familiar with OFS. Some of these cases were referred by Legislative Council members.

31. Mr TAM Yiu-chung further enquired whether elderlies and children would receive special consideration in their appeals for waiving of surcharge. GMWRO/KCRC said that while 14% of LR passengers were elderlies and children, only 3% of passengers caught evading fares were elderlies and children and they were subject to a surcharge at a fixed rate of \$290. In considering their application for appeals, factors such as the usage rate and their usual mode of transport would be taken into account. To prevent recurrence, they would be advised to use the Octopus cards or apply for monthly tickets.

32. Mr WONG Kwok-hing opined that OFS was an outdated system which did not meet modern day requirements. He said that passengers who were caught without a valid ticket would suffer great embarrassment as they would be apprehended by a few KCRC staff at the LR stops or the train compartments. GMWRO/KCRC advised that ticket inspections were carried out by a team of four to five LR Passenger Services Assistants at the LR stops and the train compartments. The inspection team had been requested to handle cases of fare evasion tactfully. Where a passenger could not produce a valid ticket upon request, he/she would be politely advised to alight at the nearest stop so that any further actions to be taken, which might include request for the disclosure of personal information, would not be conducted in the presence of other passengers within the train compartments. To avoid embarrassment, the passenger would only be confronted by one or two Passenger Services Assistants.

33. Mr WONG Kwok-hing suggested that ticket vending machines should be installed inside the train compartments to facilitate passengers in the purchase of tickets, in particular, those who were in a hurry to board the trains. GMWRO/KCRC said that the feasibility of installing of ticket vending machines inside train compartments was being explored. However, care had to be taken in dealing with the chaos arising from passengers trying to purchase tickets upon boarding, or when being confronted by inspection teams. The problem of passengers who would seek to reduce their transportation cost by purchasing the lowest fare at these vending machines would also need to be addressed before consideration was given to the installation.

34. Mr Patrick LAU failed to see why entry/exit gates could not be installed on the LR platforms. GMWRO/KCRC explained that as most LR platforms were 3 to 5 metres wide, it would be difficult to install entry/exit gates on the platforms, given the need to allow space for the designation of a yellow line for the safety of boarding and alighting passengers. Due to geographical constraints of some of the platforms, for example, the stops along Yuen Long Main Road which were located in the centre of the road, installation of entry/exit gates would not be feasible. Therefore, OFS had been adopted as it would bring convenience to the boarding and alighting of

Action

passengers and facilitate passenger flow. Mr Patrick LAU was of the view that the situation could be improved if entry/exit gates were installed at some of the wider LR platforms which were not geographically constrained. GMWRO/KCRC said that studies on the effect of installation of entry/exit gates on passenger flow at LR platforms had been made using simulation models. It was found that the passenger flow and the entire operation of LR would be adversely affected with the said installation. Notwithstanding, KCRC would continue to identify measures to improve the situation.

35. Mrs Selina CHOW opined that OFS was not an optimal fare system. She said that, instead of making suggestions on how the system could be improved, members should request KCRC to undertake a complete overhaul of the system within a reasonable time frame. She said that it was KCRC's responsibility to design a foolproof system with built-in security features which would ensure that passengers would pay their fares. In this way, passengers would no longer be exposed to the psychological pressure under OFS. GMWRO/KCRC said that KCRC had introduced measures to improve the situation and efforts had been made to widen the platforms to facilitate passenger flow. In response to members, he agreed to provide a plan together with a time table on how the fare system could be improved.

36. Mr Albert CHAN said that there was a need for KCRC to adopt a more proactive approach in responding to passengers' needs. As OFS was an outdated system which need to be replaced, he would support the appointment of consultants to advise on the improvements which could be made for the benefit of passengers.

37. The Chairman said that Mr Albert CHAN had indicated his intention to move the following motion which was seconded by Mr Andrew CHENG-

“That this Subcommittee requests the Kowloon-Canton Railway Corporation to study and improve the open fare system for Light Rail in order to reduce the passengers' psychological pressure.”

38. The Chairman put the motion to a vote. Eight members voted for the motion and one member abstained. The motion was endorsed.

**VII Any other business**

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