

**立法會**  
**Legislative Council**

LC Paper No. CB(1)822/05-06

(These minutes have been  
seen by the Administration)

Ref : CB1/PL/TP/1

**Panel on Transport**

**Minutes of special meeting held on  
Monday, 19 December 2005, at 8:30 am  
in the Chamber of the Legislative Council Building**

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

Mr Don HO  
Assistant Commissioner for Transport  
(Management and Paratransit)

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

**Agenda item II**

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

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

Mr K M LEE  
Chief Treasury Accountant (Transport)  
Environment, Transport and Works Bureau

Mr K B TO  
Chief Engineer/Transport Planning  
Transport Department

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

**Staff in attendance** : Mr Watson CHAN  
Head (Research and Library Services)

Miss Kitty LAM  
Research Officer 8

Mr Anthony CHU  
Council Secretary (1)2

Miss Winnie CHENG  
Legislative Assistant (1)5

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**I Safety of public light buses**

(LC Paper No. CB(1)526/05-06(01) - Information paper provided by the Administration)

The Chairman said that the Panel last discussed the item on safety of public light buses (PLB) at its meeting on 14 December 2004. He then invited the Administration to brief members on the progress of measures to enhance road safety and safety of PLB operations as presented in LC Paper No. CB(1)526/05-06(01).

Vehicle monitoring system

2. Mr WONG Kwok-hing sought details on the technical problems with the vehicle monitoring system (VMS) for PLBs. The Deputy Secretary for the Environment, Transport and Works (DS/ETW) explained that the VMS, which was essentially a “blackbox”, had already been used in buses. In 2004, the Administration had carried out a trial on four green minibuses (GMB) that served different districts and with different operating characteristics. There were technical problems with the system in that some records were inaccurate. At the moment, the Administration was not aware of any PLB blackbox in the market. The Administration would continue to explore with various parties, including the PLB manufacturers, on VMSs that were suitable for use on PLBs for further testing.

Vehicular countdown display devices

3. Mr WONG Kwok-hing enquired whether the Administration had considered the proposals from the transport trade on the installation of vehicular countdown display devices (VCDDs) or flashing green light system so as to allow drivers to know when the traffic light would be changing and thus enhancing road safety.

4. DS/ETW pointed out that the Administration had considered the proposed VCDD or flashing greenlight but the VCDD available in the market was not compatible with the computerized traffic signal systems in Hong Kong. The Administration would keep abreast of the overseas development and review the applicability of any new technology in Hong Kong. In response to Mr WONG Kwok-hing's suggestion, DS/ETW agreed to contact local tertiary institutions on possible studies on the design and application of VMSs for PLBs, VCDDs and flashing green in traffic signals in Hong Kong.

Speed limiters

5. Whilst welcoming the Administration's measures to improve the safety of PLBs, Mr Andrew CHENG said that more should be done to enhance the safety of PLBs for the interests of motorists and passengers. He remarked that as the market for liquefied petroleum gas (LPG) PLBs was not big, there was not much incentive for vehicle suppliers to put resources and efforts in the research and development of speed limiters for LPG PLBs. He expressed concern about the slow progress on the matter and

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enquired about the details of the technical problems associated with the installation of speed limiters on LPG PLBs and whether the Administration had explored with the suppliers to resolve the technical problems.

6. DS/ETW replied that speed limiter could effectively restrict the vehicle speed to a specified level by controlling the fuel fed to the engine and was already used in vehicles using diesel or petrol fuel. However, as LPG PLBs were new to the market, more research and development would be required to overcome the technical problems associated with the installation of speed limiters on LPG PLBs.

7. Ms Miriam LAU pointed out that there was a maximum speed limit of 70 km per hour for all medium goods vehicles, heavy goods vehicles and buses. If the Administration decided to install speed limiters on PLBs, which were light vehicles, this would represent a fundamental policy change. Assuming the speed limit of PLBs was fixed at 70 km per hour, PLB drivers would have to slow down their vehicles at certain expressways, causing traffic and operational difficulties. The Administration should consider whether such measure was appropriate for PLBs and the implications on the overall traffic flow.

8. DS/ETW replied that the Administration would have to study the technical issues associated with the installation of speed limiters on PLBs as well as its impact on PLB operation and overall traffic flow.

9. As a means to further enhance the safety of PLB operations, Mr Andrew CHENG urged the Administration to expedite the study on the introduction of speed limiters on PLBs and report the latest progress in three to six months to the Panel. He expressed concern that the matter might just come to an impasse without any breakthrough which would not be conducive to the safety operation of PLBs.

10. DS/ETW pointed out that as in the past, the Administration would provide regular progress report on measures to enhance road safety. However, she could not say for certain when the breakthrough in technology of speed limiters for LPG vehicles would come about. The Administration had adopted a multi-pronged approach to improve the safety for PLBs, including public education, drivers' training courses and relevant legislative amendments.

11. The Chairman said that as members were very concerned about the safety of PLB operations, the Administration should take heed of members' views and introduce positive measures to address the related problems. To this end, the Administration should give a response in six months' time. DS/ETW clarified that the Administration was equally concerned about the matter. It had introduced various initiatives to enhance the safety of PLB operations as undertaken in previous meetings and there was progress in various areas. The Chairman said that as members had expressed concerns on the progress of work undertaken by the Administration, it should review the situation and continue to work on various fronts in a speedy manner to enhance road safety. He requested the Administration to report progress on the related work in six months' time.

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Seat belts and high back seats

12. Mr CHEUNG Hok-ming noted that as at November 2005, only 1 663 PLBs had been equipped with passenger seat belts and high back seats. Adding the 960 PLBs which had served for eight or more years, and were expected to be replaced by new vehicles with passenger seat belts and high back seats in the next one or two years, this would only make up a total of about 50% of the whole fleet of PLBs. In this regard, he enquired about the Administration's plan for retrofitting seat belts and high back seats on the remaining PLB fleet.

13. DS/ETW explained that the PLB seat belt legislation was passed in 2002. Under the legislation, all newly registered PLBs must be equipped with seat belts and high back seats. In order to allow time for vehicle manufacturers to adjust their production line to meet the new requirement, the PLB seat belt legislation only took effect on 1 August 2004. In the coming one to two years, it was estimated that an additional 20% of the existing PLB fleet would be replaced with new vehicles with high back seats and seat belts. For those PLBs which were registered before 1 August 2004 and had their high back seats and seat belts dismantled, the Administration would encourage the trade to retrofit the vehicles with high back seats and seat belts. For those older models, the Administration would explore with the trade, vehicle manufacturers and independent certification bodies to see how seat belts could be installed at the vehicles to enhance road safety.

14. Mr CHEUNG Hok-ming sought concrete measures from the Administration to retrofit the PLBs with high back seats and seat belts, as following the existing timetable, the whole fleet would take more than 10 years to be replaced by the new models.

15. DS/ETW pointed out that the legislation did not require those PLBs registered before 1 August 2004 to be installed with high back seats and seat belts. The Administration would work on the technical issues on retrofitting the old vehicles with seat belts. After resolving these issues, the Administration would discuss with the trade measures to expedite the retrofitting exercise.

16. Mr Andrew CHENG said that the Administration should adopt a new mindset to devise measures to resolve the problems relating to PLB safety. Referring to the retrofitting seat belts for PLBs registered before the effective date, he requested the Administration to report the updated progress on this matter and revert to the Panel in six months' time.

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### Speed display device

17. Referring to paragraph 11 of the Administration's paper on the speed display device (SDD), Ms LI Fung-ying enquired whether the Administration had informed the drivers and trade associations of the required standards. She was concerned that if the standards were not adopted by the 2 300 PLBs which had already installed such devices, these PLBs would have to deploy extra resources to reinstall the approved type of models upon enactment of the relevant legislation.

18. DS/ETW said that the Administration had made mandatory installation of the specified SDDs on PLBs a new licensing condition upon issue or renewal of Vehicle Licence in April 2005. The Administration was preparing legislative amendments to make SDDs a standard requirement on PLBs under the Road Traffic (Construction and Maintenance of Vehicles) Regulations (Cap. 374A). The vehicle owners would be required to maintain the device properly and any misuse or malfunctioning of the device would constitute an offence.

### Speed enforcement cameras

19. Ms Miriam LAU said that road safety should not only involve PLBs as most PLB drivers were law-abiding. As they spent most of the time on the road, they would also be affected by other road users who drove in a dangerous manner. Hence, the transport trade had all along supported the Administration's effort to promote road safety. Referring to paragraph 6 of the Administration's paper, she enquired about the reasons for the slow progress of the installation of speed enforcement cameras.

20. DS/ETW said that it took time for the Administration to examine the technical feasibility of installing speed enforcement cameras on individual sites. Apart from ascertaining the availability of underground spaces for the erection of structure for the camera housing, it was necessary to sort out the power supply arrangements with the two power companies.

### Operation of RMB

21. Mr Albert CHAN noted that the Administration would implement measures to improve driver management. He pointed out that there was infiltration of triads in red minibus (RMB) operations, such as rights to call at individual PLB stands and operate individual RMB routes. RMB drivers would have to pay an entry fee as well as a monthly fee in order to operate the routes and call at individual stops. While the Police had staged operations recently to crush such triad elements in RMB, he urged the Environment, Transport and Works Bureau and the Transport Department (TD) to address this serious problem.

22. DS/ETW said that triad infiltration in RMB operation was basically a security issue. If TD received complaints from the RMB trades on the infiltration of triad elements in its operation, it would refer the matter to the Police for follow-up actions.

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For a better management of PLB routes and drivers, it was the Administration's policy to encourage RMB to convert to GMB.

23. Mr Albert CHAN was disappointed with the Administration's reply and said that he had reflected the problem of triad infiltration in RMB operation to the Police but the problems still persisted. While he agreed that this problem was basically a security issue, its solution depended on the Administration's transport policy towards the operation of RMB.

24. DS/ETW said that the Administration had been introducing new GMB routes for tender from time to time, and had often encouraged RMB to convert to GMBs. The Assistant Commissioner for Transport (Management and Paratransit) (AC for T/M&P) supplemented that the Administration welcomed the RMB trade associations' suggestions on measures to improve RMB operations including the designation of additional PLB stands. While illegal management of PLB stops was predominantly a security issue, TD would try to work with the RMB trades to provide assistance in this regard. For long-term measures, the Administration would encourage RMBs to convert to GMBs.

25. Mr Albert CHAN remarked that the present problem might hinge on the illegal operations by individual trade associations and he was disappointed to note that the Administration now relied on them to address the problem of triad infiltration in RMB operations.

### Use of communication devices

26. Mr Albert CHAN and Mr WONG Kwok-hing noticed that some PLB drivers used communication devices during driving to chat with other drivers, causing nuisances to the passengers and safety problem. Though the Office of Telecommunications Authority (OFTA) said that the drivers were using licenced communication devices, the use of these devices would inevitably distract the attention of drivers, thus causing danger to the passengers. Some PLB drivers had abused the communication devices and members sought the Administration's measures to prevent this abuse.

27. DS/ETW said that the Administration was concerned that some PLB drivers used communication devices during driving. In this connection, the Administration had made it an offence to use hand-held communication devices during driving, and the prosecution procedures had also been simplified recently. AC for T/M&P supplemented that the communication devices used by PLBs were licensed by OFTA, and the drivers were required under existing legislation to behave properly and act reasonably to ensure safety of passengers. If passengers were not satisfied with the drivers' behaviour or the drivers drove dangerously, they could make complaints to TD. PLB drivers were required to display their name plates at the front of the vehicles while they were on duty and the Transport Complaint Unit Hotline would be displayed inside

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the vehicle as a Passenger Service Licence condition. The Administration would discuss with GMBs operators on ways to deal with the complaints.

28. Mr Albert CHAN suggested that the Security Bureau and the OFTA should be invited to attend the Panel meeting to discuss the infiltration of triad in RMB operation and the use of communication devices while driving. The Chairman advised that the proposals should be raised at the next regular Panel meeting.

### Quality services scheme

29. Citing the quality taxi services scheme which was successful in providing guidelines to raise the service standard of taxi drivers, Mr Jeffery LAM and Mr WONG Kwok-hing suggested that similar schemes should be adopted for PLBs. In response, DS/ETW confirmed that quality service projects had been implemented for PLBs.

### Public education and promotion

30. Mr Jeffery LAM opined that the Administration should strengthen the promotion and education work for PLB passengers so that the need to wear seat belts could be put to them effectively. He asked about the measures the Administration had adopted to promote and educate passengers of the need to wear seat belts. This view was echoed by Ms LI Fung-ying who highlighted the importance of education for passengers on wearing seat belts.

31. DS/ETW said that the Administration had used various means, such as TV and radio announcements, “buckle-up” stickers to be put at the back of the seats and pamphlets distributed to PLB passengers to remind them to wear seat belts. Earlier on, the Police had issued verbal warnings to passengers who did not wear seat belts, and in recent months, enforcement actions had been stepped up to prosecute passengers who did not wear seat belts. The media’s reports about enforcement actions in this regard would also serve to inform the public of the need to wear seat belts and passengers would be fined for failing to do so. However, such promotion work would need time to achieve results.

### Training for drivers

32. On training for PLB drivers, Mr Andrew CHENG considered that these courses were effective to help improve the driving behaviour of PLB drivers by presenting them with the possible consequences of reckless driving behaviour. He enquired whether the Administration would regulate the daily working hours of PLB drivers, implement mandatory training for drivers who newly joined the trade, and provide refresher courses for the existing drivers with subsidy for the daily wages on the days of training.

33. DS/ETW and AC for T/M&P said that the Administration had often encouraged PLB drivers to attend training or refresher courses. For instance, bonus marks would be



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given to potential tenderers in GMB Operators Selection Exercises if their proposals for new GMB routes included training courses for their drivers.

34. Ms Miriam LAU pointed out that most PLB drivers would cooperate to implement measures to improve PLB safety. She however observed that the promotional campaign to enhance road safety would only be attended by law-abiding drivers and those who drove in a dangerous manner would not normally join the functions. To improve the situation, she suggested that every PLB driver should be required to attend a training course before they were allowed to enter the PLB workforce. Regular refresher courses should also be made mandatory for serving drivers. The Administration should step up enforcement against inappropriate driving behaviour and increase the number of red light cameras and speed enforcement cameras.

35. Mr WONG Kwok-hing enquired about the Administration's measures to promote training course for all PLB drivers, as only 900 out of the 10 000 drivers had attended the training courses. He suggested that the Administration could consider requiring all new drivers and existing PLB drivers to attend driving training courses. When drivers took such courses, they should either receive their daily wages from their employers or a subsidy from the Government.

36. Mr Jeffery LAM pointed out that those in-service workers who attended training courses under the Skills Upgrading Scheme could receive 70% course fee subsidy from the Government and he requested the Administration to examine with the relevant body the arrangement to use such subsidy for PLB drivers to attend driving training courses on a regular basis.

37. DS/ETW said that the drivers who voluntarily joined the training courses were those with a higher awareness of road safety. To target those drivers with inappropriate driving behaviour, stringent enforcement measures should be more effective. The Administration would discuss with the PLB and taxi trades members' suggestion to require drivers to show evidence that they had attended driving training courses before joining the PLB workforce and the provision of refresher courses for in-service drivers. Ms Miriam LAU agreed that this suggestion should be extended to all professional drivers.

Past traffic offence convictions of PLB drivers

38. The Chairman noted that the two drivers in the accident involving two PLBs at King's Road, North Point had numerous records of speeding and dangerous driving. He enquired whether the Administration had considered measures to address the problem so that repeated offenders of traffic offences should not be allowed to drive PLBs to enhance passenger safety.

39. DS/ETW said that an applicant for a PLB driving licence needed to declare in the application form that he had not been convicted of serious traffic offences for the past 5 years preceding the submission of the application. For existing drivers, the driving

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offence points (DOP) system was an effective deterrent measure. With the recent increase of DOPs for failing to comply with traffic signals from 3 to 5, the Administration believed that this would help deter irresponsible driving behaviour. The Administration would discuss with GMB operators on ways to manage drivers who had committed traffic offences. As for drivers of RMBs, the Administration would need to examine other measures. The Chairman remarked that measures should have been put in place to address the problem. He urged the Administration to speed up the related work.

40. Ms Miriam LAU said that it was unfair to put the responsibility of screening drivers on PLB operators as due to privacy, the operators could not obtain information on the past convictions of the persons who applied to be drivers. She referred to the licencing system for the security and guarding services, in which a condition for issuing a permit for security personnel included the possession of a good character, i.e. the applicant had not committed a stipulated offence within 5 years preceding the submission of the application. Similar measures could be put in place to filter applicants in respect of their past convictions relating to traffic offences.

Other measures

41. Ms LI Fung-ying opined that the safety of PLBs involved various parties. While drivers were one of the parties that the Administration should focus, it was not appropriate to target only at PLB drivers. Noting that the trade had pointed out some design deficiencies on the road, she enquired whether the Administration had responded positively and made improvements. In response, DS/ETW said that the TD had regular meetings with PLB trade associations and the Administration welcomed suggestions from the trade on measures to improve the design of specific roads or junctions.

42. Mr Jeffery LAM remarked that to enhance road safety, the Administration should focus on different road users. It was not fair to put all the responsibilities of road safety on PLB drivers. Since hand-held laser guns for vehicular speed detection were effective deterrent against speeding, he suggested the Administration to step up the related work. The Administration took note of this suggestion.

Admin 43. In concluding, the Chairman said that the Panel would revisit the subject in June 2006 and the Administration was requested to speed up the related work, and report to the Panel the following initiatives to enhance safety of PLB operations –

- (a) the feasibility of installing VMS and speed limiters on PLBs;
- (b) the implementation of mandatory PLB driver pre-service training programme and imposition of some form of continuous training on PLB drivers;
- (c) the installation of passenger seat belts and high back seats on PLBs that were registered before 1 August 2004;

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- (d) the publicity programme for and enforcement of the PLB seat belt legislation;
- (e) the expansion of the coverage of red light cameras and the feasibility of installing flashing green in traffic signals to facilitate drivers to comply with traffic signals; and
- (f) the mechanism for prohibiting drivers who had repeatedly committed traffic offences to drive PLBs.

44. In view that a time limit of 5-minute was set for members to ask and the Administration to give their response, the Chairman reminded Government officials to answer members' questions in a concise and complete manner and should not include irrelevant information which was not asked by members.

**II Progress update on measures to improve the distribution of traffic among the three road harbour crossings and enhance the utilization of Route 3 and review of the Build-Operate-Transfer mode for delivery of transport infrastructure projects**

- (LC Paper No. CB(1)526/05-06(02) - Information paper provided by the Administration
- LC Paper No. CB(1)526/05-06(03) - Progress Report on Operation of Toll Roads, Bridges and Tunnels in Selected Places prepared by the Research and Library Services Division)

Research on operation of toll roads, bridges and tunnels in selected places

45. At the invitation of the Chairman, Head (Research and Library Services) (H(RL)) gave a PowerPoint presentation on "Preliminary Findings of the Research on Operation of Toll Roads, Bridges and Tunnels in Selected Places" prepared by the Research and Library Services Division of the LegCo Secretariat. The research covered the following transport facilities –

- (a) The 91 Express Lanes of the State of California of the United States (US);
- (b) The Dulles Greenway of the State of Virginia of the US;
- (c) The new and old Severn Bridges of the United Kingdom (UK);
- (d) The A1(M) between Alconbury and Peterborough of the UK; and
- (e) The Eastern Distributor of the State of New South Wales of Australia.

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46. H(RL) elaborated on the following attributes of the transport facilities under study –

- (a) Model of operation and financing of the transport facilities (whether or not Build-Operate-Transfer (BOT) or its variants was adopted);
- (b) Comparison of publicly-financed and private-financed options for developing the facilities;
- (c) Duration and terms of concession/contract;
- (d) Toll policy;
- (e) Toll rates and toll adjustment mechanism;
- (f) Financial performance and financial reporting; and
- (g) Dispute resolving and re-negotiation mechanism.

Discussion

*Road harbour crossings (RHCs)*

47. Mr Andrew CHENG said that the Democratic Party accepted the Administration's view that the approach of combining franchise extension of the Western Harbour Crossing (WHC) and Eastern Harbour Crossing (EHC) and rationalization of the tolls of the three RHCs (i.e. the Cross Harbour Tunnel (CHT), WHC and EHC) to achieve a more balanced flow of traffic at the RHCs was worth further consideration. Nevertheless, he stressed that the Administration should ensure that this "give-and-take" approach would be effective in achieve the intended objectives, pointing out that a toll reduction for WHC and EHC might only be short-lived and the franchisees could resort to the existing toll adjustment mechanisms provided under the relevant governing legislation to increase tolls after their franchises had been extended. In the case of WHC, for instance, the legislation provided that the franchisee might effect toll increases on certain specified dates, and where the franchisee's actual net revenue in any year fell short of the minimum estimated net revenue specified in the legislation for that year, the franchisee might advance the toll increase. Mr CHENG suggested that other complementary measures should be introduced, such as a flexible toll adjustment mechanism similar to that applicable to the bus companies under which the fares could be increased or decreased, and a system of flexible extensions of franchise subject to certain conditions. He also suggested that the Administration should look into the possibility of including a mandatory requirement for the franchisees to provide financial statements and information for examination, as in the case of the Severn Bridges of the UK.

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48. Deputy Secretary for the Environment, Transport and Works (DS/ETW) informed members that the Administration was in active discussion with the relevant franchisees on franchise-related matters including, among other things, how rationalization of tolls might be implemented before the current franchises expired, the traffic impacts of such a toll rationalization and the duration of any franchise extension that might be required. She added that there were different variables which might affect toll adjustments and the franchises. The options outlined in the Administration's paper highlighted the Administration's preliminary thinking. In practice, different permutations of the variable would have to be further examined in detail.

49. In reply to Ms LI Fung-ying's enquiry on public consultation on toll adjustment in the overseas systems, H(RL) said that mechanisms for consultation with monitoring authorities and other bodies were in place in the cases of the 91 Express Lanes of California and the Dulles Greenway of Virginia of the US. He drew members' attention to the table in page 13 of the research report which set out the relevant information.

50. Mr WONG Kwok-hing asked whether the Administration would consider the variety of measures adopted in overseas places, such as a variable toll adjustment system reviewable at fixed intervals, charging of a reduced toll for carpools of a certain number of passengers and different tolls for rush hours and non-peak hours and for different classes of vehicles etc.

51. DS/ETW said that the Administration had considered various measures, including the options of peak hour surcharge and a variable toll adjustment system at the CHT, which was the busiest crossing of the existing three RHCs. Peak-hour surcharge and a concessionary toll for non-peak hours were considered ineffective in alleviating traffic flow at CHT because CHT was already operating beyond its capacity and there was congestion during most hours of the day. These measures would aggravate, rather than improve, the traffic situation, particularly when the peak and non-peak hours intersected. Other measures such as restricting certain types of vehicles from using CHT during peak hours, or restricting vehicles with licence plates of odd/even numbers from using CHT on certain days of a week would limit drivers' options and cause considerable inconvenience to the public. Such measures would also entail grave enforcement problems. As regards the option of a variable toll adjustment mechanism to adjust the toll of CHT at regular intervals of, say, six to 12 months and subject to a set of indicators like queue lengths and traffic throughput etc, the Administration tended not to favour this approach as it would cause confusion and uncertainty to the users. Having considered the various options, the Administration took the view that toll rationalization together with extension of franchises would be a more direct and effective approach worth taking forward.

52. Mr TAM Yiu-chung said that BOT was first thought to be a desirable model for encouraging private sector participation in the provision and operation of major transport facilities to improve traffic conditions in Hong Kong. Nevertheless, past experience of the various BOT projects had shown that the result was not entirely satisfactory because the Administration had over-estimated the usage rate of the

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facilities, particularly WHC and Route 3, which in turn had led to under-utilization of resources and excessive toll levels. Mr TAM further opined that the principle of “big market, small government” upheld by the Administration had not fared well in transport matters, as commercial considerations had not always been conducive to improving traffic conditions and alleviating congestions, which seriously impeded the economic development of Hong Kong. Referring to the Administration’s stance explained in its paper that it was not in favour of buying out the franchises of WHC and EHC, Mr TAM said that the Administration should not rule out such possibility and should explore the option further.

53. DS/ETW responded that the Administration was presently in active discussion with the franchisees of WHC and EHC on the idea of toll rationalization and franchise extension. Regarding BOT, she said that it had the advantages of making optimal use of resources and maximizing economic benefits by enlisting private participation in major infrastructure projects. There were different BOT models and the Administration would carefully consider the most appropriate mode which would best suit the specific needs and purposes of future projects.

54. Ms Miriam LAU said that she would not question the rationale for adopting the BOT model but considered that the Administration should make careful assessment of whether there were sufficient options to improve the existing system to address traffic problems. She pointed out that the research study on transport facilities overseas had shown that the primary purposes of toll policy were to improve the toll roads and maximize the free flow of traffic. The tolls should be set at levels which enabled the operators to sustain financial viability and achieve a reasonable return from the investment. In the overseas places studied, various methods were employed to increase flexibility in toll adjustment, including, for example, shadow toll payments which could be adjusted in accordance with an indexation formula. In some of the cases studied, moreover, the contract for the facility operators were of flexible duration which could be extended to cope with unexpected risks affecting the revenue of the operators. She opined that these elements were useful to the Administration in considering arrangements beneficial to the road users and fair to the taxpayers and the facility operators. Mr Jeffrey LAM shared Ms Miriam LAU’s views and remarked that the Administration should undertake more extensive research and studies on ways to improve the BOT model in revisiting the measures with the franchisees.

55. Ms Miriam LAU further said that to achieve more balanced traffic distribution among the three RHCs, urgent measures should be taken to enhance accessibility to EHC and WHC by improving road links connecting the major road corridors to the crossing approaches. She pointed out that serious traffic bottle-necks currently existed at Gloucester Road eastbound and Central westbound, which had hindered motorists in making their way to EHC and WHC. Mr Jeffrey LAM expressed similar concerns. He said that upon the opening of the Hong Kong – Shenzhen Western Corridor in the near future, heavy traffic flow to the Hong Kong Island via Route 3 and its associated routes and WHC was expected. Effective measures to improve road networks and linkage to the approach roads to WHC were urgently called for.

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56. In response, DS/ETW said that the Administration was aware of the importance of efficient diversion of traffic to EHC and WHC to enhance the optimal use of the two crossings. Within the physical and geographical constraints, various measures, including improvement of feeder roads and new traffic management measures, were continuously being explored and tried out to smoothen eastbound and westbound traffic on the Hong Kong Island and enhance accessibility to the RHCs. She remarked that on a longer term basis, the construction of a Central – Wan Chai Bypass would be a more effective solution.

57. Mr WONG Kwok-hing opined that the Administration should set a timetable for negotiating an agreement with the franchisees of WHC and EHC on franchise extension and toll rationalization. Echoing Mr WONG's views, Mr TAM Yiu-chung and Mr Abraham SHEK said that as the matter was of great public concern and had huge economic implications for the community, there was urgency in finding solutions which would best protect the interests of the public and be acceptable to both the Government and the franchisees.

58. DS/ETW responded that the Administration considered that the negotiation process should not be rushed as it involved a holistic consideration of all factors which had bearing on the optimal utilization of the three RHCs and achievement of a more balanced traffic distribution among them. Imposing a rigid time limitation for finalizing the discussion would be counter-productive in achieving a solution and might not be in the public interest.

59. Mr Albert CHAN expressed deep regret at the Administration's response. He said that means to tackle traffic congestion and how transport operators' cooperation could be sought to improve the traffic condition had been discussed for years but there were still no signs of finding satisfactory solutions. The Administration was still dragging its feet in negotiating with the franchisees and no "inch-progress" had been made. He criticized that the Administration's reluctance to fix a timetable for the negotiation was yet another example of indecisiveness of the Administration. Mr CHAN added that past experience had shown that the Administration had always lost out to large business corporations in negotiations and he had no confidence that the Administration could succeed in achieving the intended outcome this time. He said that he would not support extending the franchises of WHC and EHC which, in his view, was a form of transferring benefits to large business consortia.

60. Ms LI Fung-ying considered that the Administration should try its best to strike a consensus with the franchisees of WHC and EHC on the new arrangements well before the current franchises expired in order to allow sufficient time for public consultation on the proposals, and LegCo should be kept fully informed of the progress of negotiation with the franchisees before any agreement was reached. Mr Abraham SHEK said that the Administration should provide detailed information, including the data given by consultants engaged by the Administration on the various options, to enable LegCo to monitor the progress.

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61. In response to the requests of Ms LI Fung-ying and Mr Abraham SHEK, DS/ETW said that the Administration could provide progress reports on its discussion with the franchisees and explain the various options being considered at appropriate junctures.

62. The Chairman opined that in any case, negotiations with the franchisees of WHC and EHC should be concluded before any one of them applied for the next toll adjustment. He asked whether the Administration had knowledge of such application.

63. DS/ETW replied that the toll adjustment mechanisms for WHC/Route 3 and EHC/Tate's Cairn Tunnel were specified in the respective governing legislation. as explained in paragraph 5 of the Administration's paper. She advised members that the Administration had no knowledge when the franchisees of WHC and EHC would apply for toll adjustments.

64. Mr TAM Yiu-chung pointed out that WHC and EHC had offered concessionary fares when the Sixth Ministerial Conference of the World Trade Organization (MC6) was held in Hong Kong recently so as to encourage motorists to make more use of the crossings during the period hence alleviating pressure on the CHT. He requested the Administration to provide data and information to illustrate the effect of the concessions. DS/ETW replied that other than the concessions provided by WHC and EHC during the MC6 period, the Administration had also made use of other measures to minimize the impact on traffic and inconvenience to the public caused by the holding of MC6. For instance, extensive publicity had been launched to advise the commuting public to avoid the areas in the vicinity of the conference venue as far as possible. She said that the MC6 was just over and preliminary information had shown that the traffic flow of all the three RHCs during the period had generally declined. However, there was no discernible changes in regard to the market share of each RHC. She agreed to provide relevant information for members' reference.

*Route 3*

Admin

65. Noting that the Administration was also discussing with the franchisee of Route 3 possible measures to rationalize the utilization of Route 3 and the alternative, non-tolled routes, Ms Miriam LAU enquired about the progress of the discussion. DS/ETW replied that the matters being considered included whether and how the tolls could be adjusted to enhance the usage of Route 3 and help divert traffic from the other non-tolled roads. An agreement had yet to be reached. Mr TAM Yiu-chung opined that the matter should be dealt with urgently, with the impending commissioning of the Hong Kong-Shenzhen Western Corridor and Deep Bay Link which would add to the traffic pressure on the north-western part of the New Territories.

**III Any other business**



Action

66. There being no other business, the meeting ended at 10:40 am.

Council Business Division 1  
Legislative Council Secretariat  
2 February 2006