

立法會
Legislative Council

LC Paper No. CB(1)2342/06-07
(These minutes have been seen
by the Administration)

Ref : CB1/PL/ES/1

Panel on Economic Services

**Minutes of special meeting
held on Friday, 15 June 2007, at 1:00 pm
in Conference Room A of the Legislative Council Building**

Members present : Hon Jeffrey LAM Kin-fung, SBS, JP (Chairman)
Hon Abraham SHEK Lai-him, JP (Deputy Chairman)
Hon James TIEN Pei-chun, GBS, JP
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon Fred LI Wah-ming, JP
Hon CHAN Kam-lam, SBS, JP
Hon SIN Chung-kai, JP
Hon Howard YOUNG, SBS, JP
Hon LAU Chin-shek, JP
Hon Miriam LAU Kin-yee, GBS, JP
Hon Vincent FANG Kang, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon WONG Ting-kwong, BBS
Hon Ronny TONG Ka-wah, SC
Hon KWONG Chi-kin
Hon TAM Heung-man

Members attending : Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon Andrew CHENG Kar-foo
Hon Albert CHAN Wai-yip
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon LEUNG Kwok-hung
Dr Hon KWOK Ka-ki

- Members absent** : Dr Hon David LI Kwok-po, GBS, JP
Dr Hon LUI Ming-wah, SBS, JP
Hon CHIM Pui-chung
- Public officers attending** : Agenda Item I
Ms Eva CHENG
Permanent Secretary for Economic Development and Labour (Economic Development)

Miss AU King-chi
Commissioner for Tourism

Mr HO Kwong-wai
Director of Electrical & Mechanical Services

Mr CHAN Fan
Assistant Director/Gas and General Legislation
Electrical & Mechanical Services Department
- Attendance by invitation** : Agenda Item I
MTR Corporation

Mr Russell BLACK
Project Director

Mr Rod HOCKIN
Project Manager –
West Island Line/Lantau Airport Railway

Mrs Miranda LEUNG
General Manager –Corporate Relations

Skyrail-ITM-ITM (Hong Kong) Ltd

Mr Ken CHAPMAN
Chairman

Mr Bill CALDERWOOD
Managing Director
- Clerk in attendance** : Ms Connie SZETO
Chief Council Secretary (1)6

Staff in attendance : Ms Pauline NG
Assistant Secretary General 1

Mr Timothy TSO
Assistant Legal Adviser 2

Ms Debbie YAU
Senior Council Secretary (1)1

Mr Justin TAM
Council Secretary (1)3

Ms Michelle NIEN
Legislative Assistant (1)9

Action

- I The incident of the falling of a cabin of Ngong Ping 360**
(LC Paper No. CB(1)1906/06-07(01) - Information paper provided by
(*tabled at the meeting*) the Administration
- (LC Paper No. CB(1)1923/06-07(02) - Submission from Liberal Party)
(*tabled at the meeting*)

Briefing by the Administration

At the invitation of the Chairman, the Permanent Secretary for Economic Development and Labour (Economic Development) (PS/ED) remarked that the Government considered the falling of a cabin of Ngong Ping (NP) Skyrail on 11 June 2007 a very serious incident (the Incident). The Administration would take the matter up strictly by conducting a thorough investigation into circumstances relating to the Incident. She highlighted the salient point in the Administration's information paper as follows:

- (a) The Government had appointed an Expert Panel to examine and identify the causes of the Incident as well as to recommend proposals for enhancing the safety operation of NP Skyrail. Two renowned overseas experts in the ropeway industry, viz. Prof. Gabor Oplatka and Prof. Dr Josef Nejez, had been invited to serve as the Chairman and Vice-chairman of the Expert Panel respectively. The Expert Panel, with the participation from the Electrical and Mechanical Services Department (EMSD), would conduct the investigation independently.

- (b) In parallel, as ordered by EMSD, the Mass Transit Railway Corporation Limited (MTRCL) had engaged external consultants to conduct a thorough investigation into the Incident. It would submit a comprehensive review report to the Government in due course.
- (c) After considering the respective reports to be submitted by the Expert Panel and MTRCL and having regard to the cause of the Incident, the Government would formulate required remedial and improvement measures to ensure the safety operation of NP Skyrail. Under the Aerial Ropeways (Safety) Ordinance (Cap. 211) (AR(S)O) and the Tung Chung Cable Car Ordinance (Cap. 577), MTRCL was required to take the necessary remedial and improvement measures in respect of the design, management, operation and maintenance of the cable car system to the satisfaction of the Government.

2. PS/ED stressed that the most important issue was to ensure the safe operation of NP Skyrail before resuming the service. As the investigation was underway, it was premature to speculate on the cause(s) of and party/parties responsible for the Incident. She assured members that the Government would take a serious attitude and adopt a prudent manner in reviewing the investigation reports and considering all necessary remedial and improvement measures that should be taken.

3. The Chairman then invited MTRCL and Skyrail-ITM (Hong Kong) Limited (Skyrail-ITM) to report on the Incident. He reminded representatives from the companies that their presentations were not covered by the protection and immunity provided under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382).

Presentation by MTRCL

4. At the invitation of the Chairman, Mr Russell BLACK, Project Director of MTRCL said that MTRCL treated the Incident seriously and had been working closely with the operator, Skyrail-ITM, and the system's manufacturer, Leitner GmbH, to investigate the circumstances leading to it. In order to identify the cause(s) of the Incident and ensure no recurrence of similar events, MTRCL had set up an investigation panel comprising senior engineers from the company and invited experts from TUV SUD, the world's leading cable car consultant, to render professional assistance in and advice on the investigation work. The panel would investigate the Incident thoroughly, identify the cause(s) and recommend remedial and improvement measures to return the cableway to public service in a safe condition.

5. Mr Russell BLACK stressed that safety was MTRCL's top priority and the company would handle the matter in a professional and responsible manner. He assured members that MTRCL would be co-operating fully with the Expert Panel and would provide all necessary information and assistance. He re-affirmed that MTRCL was committed to restoring public confidence in NP Skyrail and would

ensure the safe operation of the system before re-opening the service to the public.

Presentation by Skyrail-ITM

6. With the aid of power-point presentation, Mr Bill CALDERWOOD, Managing Director of Skyrail-ITM gave a detailed account of the Incident and the actions taken so far as follows:

- (a) As required under AR(S)O, an annual inspection of all aspects of the cableway system was required to be conducted by an independent external expert accredited by EMSD. Accordingly, Skyrail-ITM commenced an annual ropeway survey during the non-operating hours on 7 June 2007, which was conducted by an accredited ropeway surveyor from Europe.
- (b) At around 8:00 pm on 11 June 2007 when a series of tests were being conducted to determine the performance of the brake system, one cabin dislodged and fell on the ground next to Tower 2B. The cableway service was suspended after the Incident and major immediate technical measures were undertaken by MTRCL and Skyrail-ITM, including an initial check of Tower 2B for mechanical and structural damage and checking of all cabins on line to ensure no damage existed. After consultation with EMSD and MTRCL, Skyrail-ITM moved the damaged cabin off site to MTRCL's Siu Ho Wan Depot for detailed examination.
- (c) On 12 June 2007, Skyrail-ITM had undertaken a detailed check in daylight of the structure of Tower B and the equipment, and positioned personnel at all towers and stations to check all mechanical structures and equipment. It had also checked all cabins on line from the access trail and by helicopter and met with concerned parties to formulate proposed course of action. Skyrail-ITM would conduct a cross-examination of the entire ropeway, including the affected part. The brake would be checked to ensure it was functioning correctly before the cabins were removed from the line. Skyrail-ITM would continue discussion with EMSD to determine additional actions required.
- (d) To support the tenants at NP Village, they were granted free-rent for the duration of the suspension of NP Skyrail. Various promotions and incentive offers would also be arranged to the trade and consumers with a view to generating traffic for NP Village.

7. Mr Bill CALDERWOOD stressed that safety and comfort of cable car passengers and the public had always been the highest priority of Skyrail-ITM. In fact, the cable car system had achieved an overall reliability rate of 98.8% since its opening in September 2006 and the reliability for the year of 2007 stood high at 99.1%. He assured members that Skyrail-ITM would provide full support to the

investigations to be undertaken by the Expert Panel and MTRCL into the Incident and would take all necessary remedial actions identified by the investigations to ensure safety and reliability of NP Skyrail.

(Post-meeting note: The power-point presentation material tabled at the meeting was subsequently issued to members vide LC Paper No CB(1)1923/06-07(02) on 18 June 2007.)

Discussion

Investigation into the Incident

8. Mr James TIEN remarked that as the Chairman of the Hong Kong Tourism Board (HKTB), he was gravely concerned about the impact of the Incident on Hong Kong's tourism. While appreciating the Administration's initiative to invite overseas experts to undertake a thorough investigation into the Incident, he sought the Administration's confirmation that members of the Expert Panel were independent of the manufacturer and operator of NP Skyrail.

9. PS/ED appreciated the suggestion from Liberal Party for the Administration to engage overseas heavy-weighted experts in cableway to identify the cause(s) of the Incident which had coincided with the view of the Government. On the composition of the Expert Panel, PS/ED advised that overseas experts were identified through EMSD's existing international networks and both experts were independent and world-renowned. In reply to Mr TIEN's further enquiry, the Director of Electrical and Mechanical Services (DEMS) advised that Professor Gabor Oplatka was appointed the Chairman of the Expert Panel and EMSD would assist in the investigation.

10. While agreeing that the cable car manufacturer should not be part of the Expert Panel to avoid conflict of interest, Mr Howard YOUNG however considered it useful to involve the manufacturer in the investigation, in particular in providing technical information of the cableway. PS/ED confirmed that under the AR(S)O, all relevant parties were required to provide accurate information in assisting in investigations. Provision of false information was a criminal offence under the Ordinance. In this connection, Mr Russell BLACK said that the system's manufacturer, Leitner GmbH, had been requested to join MTRCL's investigation. The chief designer of Leitner GmbH had arrived in Hong Kong to assist the work of the investigation panel.

11. On the scope of the Government's investigation, Mr James TIEN considered that in addition to identify the cause(s) of the Incident, the Expert Panel should also examine the design, management and maintenance of NP Skyrail as there were views that one-cable system such as the one used in the Ocean Park was safer than a two-cable system as in the case of NP Skyrail.

12. Mr Albert CHAN was gravely concerned about the Incident which, together with previous incidents relating to tourism infrastructures, had damaged Hong Kong's tourism image. While expressing support for the Administration to identify the cause(s) of the Incident by conducting a thorough investigation, he urged that the Administration should seriously review its role in monitoring the operation of NP Skyrail.

13. In response, PS/ED stressed that the design of NP Skyrail met the international safety standard. She re-iterated that the investigation would cover all aspects of the cableway system, including its operation, design, maintenance and management.

14. Mr James TIEN said that HKTB had produced a series of publicity material to promote tourist attractions in Hong Kong, including NP Skyrail, as part of the publicity programmes celebrating the 10th anniversary of the establishment of the Hong Kong Special Administrative Region. He expressed disappointment that the publicity material could not be used now. As HKTB had immediately suspended its overseas promotion of NP Skyrail after the Incident, Mr TIEN was keen to know when the cable car service could be resumed.

15. Ms Miriam LAU welcomed the appointment of the Expert Panel with overseas experts to conduct a thorough investigation so as to prevent recurrence of similar events. She stressed the need for completing the investigation as early as possible in order to restore public confidence in NP Skyrail and Hong Kong's image as a premier visitors' destination.

16. In response, PS/ED said that as the second overseas expert would not arrive Hong Kong until the following week and in order to allow the Expert Panel sufficient time to conduct a full investigation, the Administration envisaged that it might take about two to three months for the Expert Panel to complete its work.

17. Mr Andrew LEUNG appreciated the Government's prompt response by appointing the Expert Panel to look into the Incident which had met the expectation of the public. Noting that MTRCL, and the Expert Panel were each conducting its own investigation into the Incident at the same time, Mr LEUNG was concerned how EMSD would protect the "black box" which contained important records and information of the cable car traffic immediately before the Incident and whether the Expert Panel would have access to such records and information prior to other parties.

18. Mr Howard YOUNG also stressed the importance to preserve the site of the Incident and avoid undertaking system repair until inspection and investigation work had been completed. In this connection, Mr LEUNG Kwok-hung shared the view and expressed concern on the disturbances made to the site as seen in the television news.

19. DEMS confirmed that unlike aircraft which kept flying records in black boxes, cable car traffic record was stored in the system's computer. EMSD had kept the computer records taken at the material time of the Incident. These records would be examined by the Expert Panel before releasing to other parties to facilitate respective investigations. DEMS assured members that this would not delay the process of investigation. He further advised that before dismantling the cabin wreckage for removal to MTRCL's depot at Siu Ho Wan, pictures of the site were taken to facilitate further detailed investigation. On the investigation *per se*, DEMS advised that Tower 2B and its associated installations and equipment as well as the cabin wreckage would be the main targets of the investigation. Other parts of the cable car system would remain intact before completion of the investigation. He assured members that to ensure the safe operation of NP Skyrail, appropriate remedial and repair works to the cable car system would be implemented before the resumption of service.

20. The Chairman was concerned whether the pictures taken at site without the cabin wreckage could assist the Expert Panel to find out the real cause of the Incident. DEMS remarked that EMSD had conducted preliminary inspection at the incident site, including examining the cabin wreckage on site and collected all loose parts there. He stressed that such information would serve as useful reference for the Expert Panel. Mr Russell BLACK highlighted that the removal of the cabin wreckage was necessary as the site was freely accessible by the public. This step was important in preserving the evidence for further inspection by the Expert Panel.

21. PS/ED clarified that there were two investigations. EMSD had ordered MTRCL to conduct a comprehensive investigation into the Incident, including the operation, design, maintenance and management of the cable car system. She understood that Skyrail-ITM would work closely with MTRCL throughout the investigation. Separately, the Government had appointed the Expert Panel, led by independent overseas experts and with the participation of EMSD to, inter alia, examine and identify the cause of the Incident.

22. The Chairman noted from press reports that during the tests of annual ropeway survey on 11 June 2007, the ropeway was made to run at the maximum speed of seven meters per second, instead of the normal five meters per second in order to examine the performance of the brake system. He enquired whether the ropeway had ever been made to run at such a high speed and if yes, whether any abnormalities had been detected.

23. Mr Russell BLACK advised that the ropeway was designed with performance at a maximum speed of seven meters per second but it had only been run at five meters per second in normal public service operation to date. Under AR(S)O, the annual inspection of ropeway was required to be conducted at the maximum designed speed of seven meters per second.

Monitoring the performance of Skyrail-ITM

24. Ir Dr Raymond HO was gravely concerned about the Incident. While noting that Skyrail-ITM had been a cable car operator with a short history of some ten years, he pointed out that the operation of cable car systems was not particularly complicated and that similar attractions were in place in many cities around the world. However, Skyrail-ITM's performance had all along been unsatisfactory as demonstrated by repeated incidents of cable car stoppages and service suspension since commissioning of the infrastructure. In this connection, Ir Dr HO was concerned whether MTRCL had issued warning letters to Skyrail-ITM, and whether there was provision in the operating contract to terminate the service of Skyrail-ITM on ground of its poor performance.

25. In response, Mr Russell BLACK pointed out that the terms of the service contract between MTRCL and Skyrail-ITM were confidential information. Nevertheless, MTRCL and Skyrail-ITM had been maintaining on-going dialogue and holding regular management meetings to discuss and monitor matters relating to the operation and performance of NP Skyrail. On the issuance of warning letters to Skyrail-ITM, Mr BLACK advised that until the Incident on 11 June 2007, there was no safety-related issue that warranted MTRCL to do so. Mr BLACK further said that it was premature to speculate on the party/parties to be held responsible for the Incident until the results of the investigation were available.

26. Miss TAM Heung-man highlighted incidents associated with NP Skyrail in the past few months, including passengers being stranded in car cabins, serious interruptions in and suspensions of service, which had demonstrated inadequacies in monitoring the system. She called on the Administration and MTRCL to step up their efforts in monitoring NP Skyrail. While agreeing that the terms of Skyrail-ITM's contract should be kept confidential, Miss TAM considered that there should be penalty provisions in the contract to guard against poor performance of Skyrail-ITM.

27. PS/ED remarked that EMSD had been closely monitoring the safety and reliability of NP Skyrail since its commissioning. Regular inspections to ensure compliance of the safety requirements in operational and maintenance aspects were conducted in accordance with relevant legislation and in line with international best practices. DEMS supplemented that the provisions in AR(S)O met the international technical requirements. In line with other cable car systems worldwide, safety inspections, including daily, weekly, bi-weekly and an annual ropeway survey, were also conducted to ensure the safety of the system. Moreover, an annual survey of all aspects of the cableway system was required to be conducted by an independent external expert accredited by EMSD. DEMS further elaborated that unlike previous incidents of the cable car system, which were related to the reliability of service and caused by inclement weather or technical failure, the Incident on 11 June 2007 was a problem related to system safety. He stressed that safety of NP Skyrail was the top priority. The Administration took the Incident seriously and EMSD had immediately ordered MTRCL to suspend the operation of NP Skyrail. Until the cause was identified

and remedial actions taken, the cable car service would not be resumed.

28. Mr Fred LI noted from Mr CALDERWOOD's comments reported by the press that the Incident was not related to the operation of the system, Mr LI was concerned why Mr CALDERWOOD had come to such conclusion while the investigation was still underway. Given the persistent problems that had plagued NP Skyrail since its trial run in June 2006, Mr LI asked whether MTRCL was satisfied with the performance of Skyrail-ITM. Since the investigations were still underway and the causes were still unknown, Mr LEE Wing-tat considered Mr CALDERWOOD's remarks irresponsible which had further undermined his confidence in Skyrail-ITM.

29. Mr Bill CALDERWOOD said that until the investigation was completed, it was not appropriate to focus on one particular issue of whether the Incident was related to operation or otherwise. All aspects relating to the Incident should be looked at. He believed that the outcome of the investigations would determine the necessary follow-up actions to be taken.

30. Mr Russell BLACK pointed out that the design and installation of NP Skyrail were not the responsibilities of Skyrail-ITM, whose duties were confined to system operation and maintenance. He stressed that each incident of cable car service suspension required individual assessment as to the causes, and whether remedial measures should be taken and whether there were responsibilities to various parties. There had been constant and continuous improvement in the reliability of cable car system since its opening in September 2006. As at end May 2007, the system had achieved an overall reliability rate of 98.8% whereas the reliability for the year 2007 was 99.1%, which was very high by international standard. Moreover, NP Skyrail had met its business target of carrying over 1.5 million passengers since September 2006. As such, in terms of reliability, MTRCL was generally happy with Skyrail-ITM's performance.

31. Mr Andrew CHENG considered Mr Russell BLACK's remark that "MTRCL was generally happy with Skyrail-ITM's performance" inconceivable, which had failed to recognize the problems that had plagued NP Skyrail in the past ten months. He cautioned that if MTRCL allowed the senior management of Skyrail-ITM to continue running NP Skyrail, it would be very difficult to restore public confidence on the cable car service. Mr CHENG recalled that Members had time and again requested the Administration/MTRCL to consider replacing the senior management of Skyrail-ITM. He was disappointed that even now, the Administration/MTRCL was unwilling to take action and considered it necessary to defer the matter after the outcome of the investigation was available. He suggested that the Legislative Council (LegCo) should consider appointing a select committee to inquire into matters relating to the Incident and parties to be responsible. While supporting the suggestion of setting up a select committee to look into related issues surrounding the Incident, Mr LEE Wing-tat opined that LegCo should consider the suggestion after reviewing the outcome of the investigation.

32. PS/ED re-iterated that the Administration considered the Incident a very serious matter that should be taken up strictly by conducting a thorough investigation into the cause(s) with a view to formulating specific remedial measures. She explained that MTRCL was the franchisee of NP Skyrail and therefore had the duty to take all remedial actions that the Government considered necessary, including conducting a comprehensive review of the management, operation, design and maintenance of the cable car system. In parallel, the Administration had appointed the Expert Panel to identify the cause(s) of the Incident. The Administration would carefully consider the respective investigation reports before requiring MTRCL to take remedial actions.

33. Mr CHAN Kam-lam considered the Incident very serious and urged Skyrail-ITM to undertake a critical review of its operation rather than continue to emphasize the system's reliability. He expressed concern how EMSD had been monitoring the safety of NP Skyrail and whether it had just examined the written report submitted by Skyrail-ITM in endorsing the annual ropeway survey, and whether professional staff from Skyrail-ITM would ensure the smooth operation of the system.

34. DEMS advised that EMSD took a serious attitude in handling every incident of NP Skyrail. It had been closely monitoring the operation of the cable car system by, inter alia, conducting regular inspections to the system and requested Skyrail-ITM to implement measures to improve its service reliability. With a view to further enhancing the operation of NP Skyrail, MTRCL had separately commissioned an internationally recognized independent testing and certification agency to conduct an independent system review in early 2007. EMSD was exchanging views with the parties concerned on the relevant consultancy report. DEMS further said that before the Incident, EMSD had not detected problems relating to safety of the cable car system.

35. Noting that the Incident happened when the cable car system was running its regular night's maintenance and testing procedures associated with the annual ropeway survey, Mr SIN Chung-kai was concerned whether EMSD had ever issued warning or pointed out areas for rectification in respect of the system's safety during maintenance and tests conducted by Skyrail-ITM in the past.

36. DEMS explained that the annual ropeway survey of all aspects of the cableway system was required to be conducted by an independent external expert accredited by EMSD. The expert was required to be present to supervise the operator in carrying the tests so as to ensure the survey was conducted properly. The expert would also prepare the relevant report highlighting areas requiring improvement for consideration of EMSD. DEMS further highlighted the difference between system reliability and safety. He elaborated that NP Skyrail had suspended the cable car services on a number of occasions when the safety mechanism of the system was triggered by technical problems. This had affected the system's reliability.

37. In response to Mr SIN Chung-kai's further enquiry about the annual ropeway survey, DEMS clarified that from 5 to 7 June 2007, the cable car system was suspended from operation for conducting a rope shortening exercise which was not part of the annual ropeway survey. Upon completion of this exercise, the annual ropeway survey commenced on 7 June 2007 to test different system components, and was expected to run for a period of six days and be completed by 13 June 2007. The Incident had led to the suspension of the cable car operation and the annual ropeway survey.

38. Mr Abraham SHEK was concerned about the role of MTRCL in monitoring the performance of Skyrail-ITM, in particular, to ensure the technical competence of its staff.

39. Mr Russell BLACK assured that MTRCL, in securing the cable car franchise, had selected renowned partners in the design, construction, operation and maintenance for the system to support its bid. These partners had established records of successful manufacturing and running cable car services in other places.

40. Mr Fred LI was also concerned whether the Government would consider recommending terminating the contract of Skyrail-ITM if the Expert Panel concluded that Skyrail-ITM was responsible for the Incident. PS/ED responded that the Administration would consider any remedial action that needed to be taken.

41. Given the poor performance of Skyrail-ITM and the Incident, Mr Ronny TONG asked whether MTRCL would agree to the suggestion of terminating the contract with Skyrail-ITM and appointing another operator to run the cable car system in order to restore public confidence on NP Skyrail.

42. In response, Mr Russell BLACK said that MTRCL, being the franchisee of NP Skyrail and significant stakeholder in the investment of the facility, was very keen to understand the cause(s) of and the parties responsible for the Incident. However, it would be more appropriate and fairer to await the outcome of the investigations by the Expert Panel and MTRCL before taking any action.

43. Mr Ronny TONG stressed the importance of restoring visitors' confidence in NP Skyrail by engaging a new operator early. He considered that MTRCL should not await the outcome of the investigations.

44. Mrs Selina CHOW cautioned that Mr Ronny TONG's suggestion involved complicated legal issues, and might involve huge compensation to Skyrail-ITM if the operator was subsequently found not to be responsible for the Incident. As such, it would be more prudent to identify the cause(s) of the problem first before taking any action. In this connection, PS/ED re-iterated that the Administration would formulate necessary remedial measure having regard to the cause(s) of the Incident after considering the relevant reports.

Measures to restore visitors' confidence in NP Skyrail and to help tenants of NP Village

45. Mr WONG Kwok-hing considered that the Incident had disastrous impact on Hong Kong's tourism. Apart from appointing the Expert Panel to probe the cause(s) of the Incident, he expressed concern about the measures taken/to be taken by the Administration in restoring visitors' confidence in visiting Hong Kong.

46. The Commissioner for Tourism (C for Tourism) agreed that remedial measures should be taken. While HKTB and the travel trade had immediately adjusted related overseas promotion of NP Skyrail, the Tourism Commission (TC) would work together with HKTB and the travel trade to strengthen promotion of Hong Kong's multi-faceted appeal, including its distinctive living culture, its natural wonders and other attractions. It would also ride on the upcoming Hong Kong Shopping Festival in July and August 2007 to highlight Hong Kong's unbeatable shopping strengths. On the question raised by Mr WONG Kwok-hing about compensation for HKTB for cost incurred for promoting NP Skyrail to tourists, C for Tourism said that the Administration would continue supporting HKTB's work in promoting Hong Kong's tourism overseas through providing necessary manpower and financial resources.

47. Notwithstanding that tenants of NP Village would have their rental waived during the suspension of NP Skyrail, Mr Andrew LEUNG were concerned that tenants would suffer due to loss in business and the need to bear overhead expenses. Echoing the view, Mr WONG Ting-kwong urged that more frequent bus services should be arranged to bring tourists to NP and that free shuttle service between Po Lin Monastery (PLM) and NP Village should be provided to attract visitors to the Village.

48. Mr Bill CALDERWOOD advised that in addition to the rent-free arrangement for Village tenants, Skyrail-ITM would also work closely with the New Lantao Bus Co. Ltd to facilitate transport for visitors and staff of shop tenants. It would also consider the suggestion of providing free shuttle service between NP Village and PLM. Moreover, Skyrail-ITM would continue discussion with shop tenants on other measures to support them.

49. Mr Vincent FANG remained concerned and enquired whether MTRCL/Skyrail-ITM would consider providing compensation to Village tenants by reducing their rents after resumption of cable car service. Sharing the concern, Mr LEUNG Kwok-hung considered that tenants should be compensated on the basis of their average business income in previous months.

50. Mr Russell BLACK said that in addition to waiving the rental for shop tenants, he believed that other support measures to assist tenants tide over the difficult period would be worked out in due course. He undertook to consider the above suggestions made by members.

51. Given that NP Skyrail was a new attraction contributing to the surge in visitor number to NP in the past months, Mrs Selina CHOW stressed the need to formulate damage control strategy promptly to strengthen the appeal of other tourist attractions in NP. She called on the Administration, HKTB and Skyrail-ITM to work out appropriate measures in this regard to tie in with HKTB's publicity plan. Ms Miriam LAU shared the view and opined that other transportation arrangements should be explored to bring more visitors to NP Village.

52. C for Tourism advised that TC, HKTB, MTRCL, Skyrail-ITM and the travel trade would maintain close dialogue in promoting NP Village and other tourist attractions in the vicinity. Concerned parties would also work closely with the transport sector for enhancing transport services between NP and other parts of Lantau.

II Any other business

53. There being no other business, the meeting ended at 2:25 pm.

Council Business Division 1
Legislative Council Secretariat
11 September 2007