

# 立法會

## *Legislative Council*

LC Paper No. CB(1)2392/08-09  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/TP/1

### **Panel on Transport**

**Minutes of special meeting held on  
Thursday, 8 January 2009, at 2:30 pm  
in Conference Room A of the Legislative Council Building**

- Members present** : Hon CHEUNG Hok-ming, SBS, JP (Chairman)  
Hon Andrew CHENG Kar-foo (Deputy Chairman)  
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Hon LAU Kong-wah, JP  
Hon Miriam LAU Kin-ye, GBS, JP  
Hon LI Fung-ying, BBS, JP  
Hon Tommy CHEUNG Yu-yan, SBS, JP  
Hon Albert CHAN Wai-yip  
Hon WONG Kwok-hing, MH  
Hon LEUNG Kwok-hung  
Hon Ronny TONG Ka-wah, SC  
Hon KAM Nai-wai, MH  
Hon WONG Sing-chi  
Hon IP Wai-ming, MH
- Members attending** : Hon LEE Cheuk-yan  
Hon TAM Yiu-chung, GBS, JP
- Members absent** : Hon Abraham SHEK Lai-him, SBS, JP  
Hon LEE Wing-tat  
Hon Jeffrey LAM Kin-fung, SBS, JP  
Hon Mrs Regina IP LAU Suk-ye, GBS, JP

**Public officers  
attending**

**: Agenda item I**

Ms Eva CHENG  
Secretary for Transport and Housing

Miss Shirley YUEN  
Deputy Secretary for Transport and Housing

Ms Carolina YIP  
Commissioner for Transport (Acting)

Mr Albert YUEN  
Assistant Commissioner for Transport / Bus and Railway

**Agenda item II**

Ms Eva CHENG  
Secretary for Transport and Housing

Miss Shirley YUEN  
Deputy Secretary for Transport and Housing

Ms Carolina YIP  
Commissioner for Transport (Acting)

Mr Albert YUEN  
Assistant Commissioner for Transport / Bus and Railway

**Attendance by  
invitation**

**: Agenda item I**

**MTR Corporation Limited (MTRCL)**

Mr C K CHOW  
Chief Executive Officer

Mr Leonard TURK  
Legal Director & Secretary of MTR Corporation Limited

Mrs Miranda LEUNG  
General Manager – Corporate Relations

The Kowloon Motor Bus Company (1933) Limited/  
Long Win Bus Company Limited

Mr Edmond HO  
Managing Director

Ms Winnie HO  
Corporate Affairs Director

Citybus Limited/New World First Bus Services Limited

Mr Samuel CHENG  
Managing Director

Mr William CHUNG  
Head of Operations and Planning

Mr Paul LI  
Head of Operations and Engineering

New Lantao Bus Company (1973) Limited

Mr Peter MOK  
Executive Director

**Agenda item II**

MTR Corporation Limited

Mr C K CHOW  
Chief Executive Officer

Mr Leonard TURK  
Legal Director & Secretary of MTR Corporation Limited

Mrs Miranda LEUNG  
General Manager – Corporate Relations

**Clerk in attendance** : Ms Joanne MAK  
Chief Council Secretary (1)2

**Staff in attendance** : Ms Sarah YUEN  
Senior Council Secretary (1)6

Miss Winnie CHENG  
Legislative Assistant (1)5

Action

- I Fare concessions ceased to be offered by bus companies and MTR Corporation Limited (MTRCL) and fare concessions for the elderly under MTRCL's new arrangements**  
(LC Paper No. CB(1)516/08-09(01) - Administration's paper on fare concessions of franchised bus companies and MTRCL and issues relating to fare adjustment of MTR)

The Secretary for Transport and Housing (STH), and representatives of MTR Corporation Limited (MTRCL) and the franchised bus companies took turns to brief members on the fare concessions of MTRCL and the franchised bus companies.

The provision of MTRCL's \$2 concessionary elderly fare on Wednesdays instead of Sundays

2. Mr WONG Kwok-hing considered that the Administration's paper seemed to have placed greater emphasis on the spirit of free enterprise than the corporate social responsibility of public transport operators (PTOs). He considered it undesirable that without consultation, MTRCL had ceased the provision of the \$2 concessionary elderly fare on Sundays and public holidays, and reinstated the concessionary fare only in response to grave public concern. However, under the new promotional offer, the concessionary fare had changed to be offered on Wednesdays instead of Sundays. He called upon MTRCL to provide the concessionary fare on Saturdays and Sundays as well. He said that as MTRCL's majority shareholder, the Government should ensure that MTRCL would fulfil its corporate social responsibility. Mr WONG Sing-chi and Mr LEUNG Kwok-hung shared his views, pointing out that as Sunday was a family day, the cancellation of the discount on Sundays would discourage the elderly from joining outdoor activities with their family members.

3. The General Manager-Corporate Relations of MTRCL (GM(CR)/MTRCL) responded that MTRCL cared for the needs of the elderly, and had been providing various fare concessions to them from time to time. However, in providing fare concessions, MTRCL had to take into account market circumstances and commercial considerations as appropriate. The Chief Executive Officer of MTRCL (CEO/MTRCL) said that some elderly people welcomed the new promotional offer for the greater flexibility it could provide. In fact, on 7 January 2009, the first Wednesday after commencement of the new promotional offer, 180 000 elderly people rode on MTR for \$2 per

journey. The figure was some 15 000 to 20 000 more than that when the concessionary fare was provided on Sundays. The new arrangement also had its appeal.

4. Noting that in the past around 173 000 elderly people rode on MTR for \$2 per journey on Sundays, Mr LEE Cheuk-yan pointed out that the number was small compared to the some 2 million people who rode on MTR every day. He considered that it was too mean not to provide the \$2 concessionary elderly fare on Sundays, which were family days for most elderly people. He demanded STH, who was also a MTRCL Board member, to urge MTRCL to fulfil its corporate social responsibility by providing the concessionary fare on Sundays as well. Mr IP Wai-ming also made the same demand.

5. STH responded that MTRCL had already undertaken to review the new arrangements in the light of the general feedback on the new promotional offer for the elderly. CEO/MTRCL said that MTRCL would closely monitor the elderly's response to the new arrangements.

6. Mr TAM Yiu-chung said that the public had the impression that MTRCL had reintroduced the \$2 concessionary elderly fare in response to criticisms and was not sincere in making the offer. As a remedial measure, MTRCL should provide the concessionary fare on Sundays as well. Ms Miriam LAU shared his view, and said that the concessionary fare should also be provided on all weekdays during non-peak hours, so that the elderly might be more willing to participate in more activities and could better integrate with the community. The Deputy Chairman criticized MTRCL for neglecting its corporate social responsibility and being profit-oriented only. He considered that MTRCL should not have scrapped the \$2 concessionary elderly fare on Sundays since the Corporation was making great profits. Notwithstanding MTRCL's explanation that the changes made were to allow the elderly more choices in transport means as bus companies were already providing discounts on Sundays, the Deputy Chairman pointed out that if fare discounts were given, MTR would be the preferred transport means to the elderly for travelling long distances. He added that to his understanding, when the \$2 concessionary elderly fare was offered on Sundays, the elderly's patronage of the MTR service along the Tung Chung Line, the Disneyland Resort Line and the West Rail Line had been high, which could show that the previous arrangement had encouraged the elderly to participate more in activities.

7. CEO/MTRCL responded that when reviewing fare concessions, MTRCL had to strike a proper balance taking into account the interests of various stakeholders and look after the interests of its shareholders as well. He pointed out that in fact, MTRCL had been offering various fare concessions amounting to an annual cost of over \$ 100 million.

8. Mr KAM Nai-wai and Mr IP Wai-ming considered that the new promotional offer had tarnished MTRCL's corporate image and antagonized the elderly. The move was unwise because cost-savings so achieved might not make up for the loss in corporate image. CEO/MTRCL reiterated that MTRCL cared for the needs of the elderly. In fact, MTRCL had been providing up to a half-fare concession to the elderly every day. It was also the first PTO to introduce the \$2 concessionary elderly fare on Sundays and public holidays, though as a promotional offer the concession was only provided from time to time. He reiterated that MTRCL would carefully gauge feedback to the new promotional offer and review the arrangement as necessary.

9. Mr IP Wai-ming asked MTRCL about the costs that could be saved under the new promotional offer, and why MTRCL was reluctant to provide the \$2 concessionary elderly fare on Sundays as well. GM(CR)/MTRCL responded that the new arrangements had not been made to save costs. In fact, the only difference between the past and the new arrangements was that the concessionary fare was provided on Wednesdays instead of Sundays. She urged members to give MTRCL some time to try out the new arrangement, adding that alternative arrangements would be explored if the new promotion was proved undesirable.

10. Mr WONG Kwok-hing suggested that MTRCL should provide the \$2 concessionary elderly fare on Saturdays and Sundays. He said that since elderly people in general required to be accompanied by others when going out, the overall patronage of MTR would be boosted if more elderly people took MTR rides. CEO/MTRCL assured members that MTRCL would continue to provide various promotional schemes from time to time, taking into account factors such as the market situation and operating environment.

11. Mr WONG Kwok-hing and the Deputy Chairman criticized MTRCL for extending the \$2 concessionary elderly fare by eight months only. They pointed out that in contrast, the franchised bus companies were willing to extend their fare concessions for the elderly for one more year notwithstanding their deficits. Ms Miriam LAU enquired why MTRCL could not offer the concessionary fare for a longer period.

12. GM(CR)/MTRCL responded that MTRCL had reintroduced the \$2 concessionary elderly fare for an additional eight months because the figure "eight" in Chinese boded good feng shui. Members queried the explanation and demanded the Government to urge MTRCL to provide the concessionary fare on a permanent basis.

13. Mr WONG Sing-chi sought STH's views on the reasons MTRCL gave for providing the \$2 concessionary elderly fare for eight months more, which in his view were unreasonable, in particular the reference to feng-shui and good bodings. STH responded that as a listed company, MTRCL had its own

considerations and could decide for itself whether and how to provide fare concessions. She said that the Administration would continue to encourage MTRCL to provide fare concessions as far as possible. She reiterated that MTRCL had already agreed to review the present arrangements regarding the concessionary fare in the light of the elderly's feedback as soon as practicable. She believed that MTRCL was willing to heed public views.

14. The Deputy Chairman reckoned that MTRCL's claimed loss from providing the \$2 concessionary elderly fare on Sundays would not exceed \$100 million, which was a small amount compared to the profits it had made over the years. He highlighted Government's provision of funding support to MTRCL for the Penny's Bay Rail Link Project by waiving its claim for dividends otherwise payable by MTRCL to the Government as a shareholder in 2002. He suggested that the dividends waiver should be pursued again to facilitate the provision of the concessionary fare on Sundays in recognition of its importance to the elderly. STH responded that the 2002 dividends waiver had been criticized for not keeping with the general framework of public finance management under the Public Finance Ordinance (Cap. 2) (PFO), according to which income received for the purposes of the Government should be paid into the general revenue under section 3 of PFO. The dividends waiver was therefore tantamount to withdrawal of money from the general revenue which should be subject to the approval of the Finance Committee.

15. Mr Ronny TONG opined that the Government should encourage MTRCL to provide fare concession schemes for the elderly and subsidize where necessary such schemes by using the large amounts of dividends it received as a MTRCL shareholder. STH said that Mr TONG's proposal was similar to the Deputy Chairman's, and recapitulated her reply to the Deputy Chairman above. In response to Mr TONG, she agreed to provide details on the cash dividends received by the Government during the past few years.

*(Post-meeting note: The requested information was issued vide LC Paper No. CB(1)1582/08-09 dated 14 May 2009.)*

16. Mr Ronny TONG opined that to comply with the public finance management framework highlighted above, the Administration could seek LegCo's approval of funding for subsidizing fare concessions at an amount more or less the same as that of dividends received by the Government. STH responded that she believed that MTRCL would positively respond to public aspirations for fare concessions, as was the case with the student concessionary fares, which starting from 28 September 2008 were further extended to pre-merger Kowloon-Canton Railway Corporation network for eligible students.

The need to offer fare concessions for the elderly on various modes of public transport

17. Mr WONG Sing-chi opined that in recognition of the elderly's contribution to society, fare concessions should be readily provided to them by PTOs. In particular, MTRCL had been making profits without ever suffering any deficits. The bus companies had also made great profits in the past and recently fuel costs had already significantly dropped. Mr TAM Yiu-chung also urged the Administration and PTOs to note that the elderly could enjoy free rides on all modes of public transport in the Mainland.

18. Managing Director, The Kowloon Motor Bus Company (1933) Limited/Long Win Bus Company Limited (MD, KMB/LWB) responded that in recognition of the elderly's transport needs, the two bus companies had since 2006 been providing HK\$2 flat fare or half of the standard adult fare (whichever was lower) for persons aged 65 and above on Sundays and public holidays. The companies had also decided to extend the concession for one year as earlier announced. STH added that while the Government would encourage PTOs to introduce fare reduction or concession as far as possible, it might not be appropriate to compare with other places having regard that, as different from Hong Kong, there might be direct Government subsidy for the daily operation of public transport services in these places. That notwithstanding, she believed that MTRCL and the bus companies would review their elderly fare concessions after taking into consideration members' views at this meeting.

19. Ms Miriam LAU recognized the difficulty in allowing the elderly free rides on all modes of public transport given that public transport services should be run by the private sector or public corporations in accordance with commercial principles. STH explained that the present policy had the benefit of maintaining efficient and proper public transport services for the community at reasonable fares. If the Government arbitrarily required PTOs to provide fare concessions for specific groups of passengers, the financial impact on the PTOs so arising would eventually be reflected in the basic fares. That notwithstanding, should a consensus in the community be reached for making the provision of bus fare concessions for the elderly as a condition of bus franchises, the Administration would pursue that when the relevant franchises were due for renewal. Meanwhile, it should be noted that provision of the concession was not a franchise condition and to be fair, the bus companies should be allowed to decide whether to introduce the concession having regard to their own operating conditions.

20. Mr Albert CHAN and Mr LEUNG Kwok-hung opined that it was extremely difficult to ask profit-making PTOs to provide fare concessions for the elderly. As such, the privatization of MTRCL and the rail merger were

indeed wrong moves and LegCo Members who had supported them were to be blamed. Mr CHAN proposed that the Government should make it a policy to require PTOs to provide fare concessions to the elderly, PwDs and children, probably with cross subsidy by other passengers, and ensure compliance by either incorporating the requirement into the relevant franchises upon their renewal, or amending relevant laws. STH responded that she would consider the above proposal when the relevant bus franchises were due for renewal. As to PwDs, a monthly transport supplement of \$200 each directly paid to recipients under the Comprehensive Social Security Assistance Scheme aged between 12 and 64 with 100% disability and recipients of Disability Allowance in the same age group had already been introduced by the Labour and Welfare Bureau.

#### The "Same Day Return" discount offered by franchised bus companies

21. Mr WONG Kwok-hing was gravely concerned about the franchised bus companies' abolition of the "Same Day Return" discount, considering that the abolition would greatly affect residents of remote new towns and off-set any benefit the Cross-district Transport Allowance could bring. Pointing out that the abolition was an unfair move in total disregard of corporate social responsibility, he urged the bus companies to reintroduce the discount to help the working class tide over the current financial crisis. Mr LEE Cheuk-yan and the Deputy Chairman also urged the bus companies to reinstate the discount.

22. MD,KMB/LWB responded that due to increases in fuel costs and other operating costs, KMB and LWB had recorded operating loss of over HK\$160 million and HK\$3 million respectively for the six months ended on 30 June 2008. As such, after careful evaluation of their operating environment and financial situation, the most that the two companies could offer was the extension of the fare concession scheme for the elderly on Sundays and public holidays for one year ending 31 January 2010 but not extension of the "Same Day Return" fare discount.

23. Mr LEUNG Kwok-hung queried whether the abolition of bus fare concessions would go against relevant undertakings. The Deputy Secretary for Transport and Housing (DSTH) responded that when the relevant concession schemes were launched, it had already been made clear that they would run for three years only.

#### Other views and concerns

24. Mr TAM Yiu-chung urged MTRCL to continue to provide the \$1.5 interchange discount per trip to passengers using the four major outlying island routes connecting Mui Wo, Peng Chau, Sok Kwu Wan and Yung Shue Wan of Lamma Island with Central considering their small number.

GM(CR)/MTRCL responded that the above discount had been introduced to create a win-win situation in recognition of the need to alleviate the pressure on ferry operation during the effective period of the then new ferry licences so as to maintain fare stability as far as possible. However, as the discount could only benefit some 150 such passengers, the income concerned could not make up for the revenue so foregone. Since the offer had been planned to last for six months only, after reviewing the situation MTRCL had decided to suspend it when the promotion ended.

25. Mr TAM Yiu-chung highlighted the over-crowdedness of MTR trains during holidays, and enquired whether this was the result of reduction in train frequency or increase in patronage. GM(CR)/MTRCL responded that MTRCL had not reduced train frequency. Nor had its patronage seen any significant increase. In fact, MTRCL's patronage had remained in the range of 3.7 to 3.8 million after the rail merger, and certain train cars were over-crowded mainly because passengers mostly preferred to board the train in the middle of the platform. Noting that MTRCL's patronage had not been affected by the financial crisis, Mr TAM commented that MTRCL could afford maintaining the original arrangement for the \$2 concessionary elderly fare.

26. Mr WONG Kwok-hing moved the following motion which was seconded by Mr WONG Sing-chi –

"本會通過動議對港鐵公司和有關巴士公司未經諮詢便取消原有長者的乘車優惠及巴士回程扣減優惠表示遺憾；並促請各公共交通機構切實履行社會責任：

- (一) 要求港鐵公司和所有巴士公司向60歲及以上長者提供永久乘車優惠；
- (二) 要求巴士公司繼續提供即日回程票價優惠；及
- (三) 要求港鐵公司繼續提供轉乘渡輪的票價優惠。"

(Translation)

"That through passing this motion this Panel expresses regret at the decisions of MTRCL and the relevant franchised bus companies to cancel the previous fare concessions for the elderly and the 'same day return discounts' respectively without consultation, and urges these public transport operators to properly fulfil their social responsibilities by demanding:

- (a) MTRCL and all franchised bus companies to offer concessionary fares to the elderly on a permanent basis;
- (b) all franchised bus companies to continue to offer the 'same day return discounts'; and
- (c) MTRCL to continue to offer interchange fare concessions to ferry passengers."

27. The Chairman put the motion to vote. Seven members voted in favour of the motion, and no member voted against it. The Chairman declared that the motion was passed.

*(Post-meeting note: The Administration's response to the motion was issued vide LC Paper No. CB(1)1582/08-09 dated 14 May 2009.)*

## **II MTR Corporation Limited's commitment not to increase fares**

(LC Paper No. CB(1)516/08-09(01) - Administration's paper on fare concessions of franchised bus companies and MTRCL and issues relating to fare adjustment of MTR

LC Paper No. CB(1)516/08-09(02) - Extract from the report of the former Bills Committee on Rail Merger Bill (fare reduction package set out in para. 70-83)

28. STH briefed members on the Administration's paper for this item. Members noted that after 30 June 2009, MTRCL would follow the Fare Adjustment Mechanism (FAM) based on the latest figures of the relevant objective indices to determine whether fare level would remain unchanged or it would have to be adjusted upwards or downwards. MTRCL advised that it was still premature to make any estimation at this stage.

### Fare adjustments

29. Pointing out that FAM could not reflect public affordability, Mr LEE Cheuk-yan asked the Administration to take that into consideration when next reviewing the need for railway fare adjustment, lest the recent rise in Composite Consumer Price Index (CCPI) might automatically trigger fare increase. He further pointed out that the Hong Kong Confederation of Trade Unions had all along opposed to the privatization of MTRCL and the rail merger because, considering the important role MTRCL played in public

transport, it should always remain a public body. STH responded that since FAM could reflect the overall economic situation of Hong Kong, if the economy was poor, upward fare adjustment would not be triggered.

30. Mr WONG Kwok-hing noted that according to the integrated Operating Agreement signed between MTRCL and the Government, MTRCL was required to notify the Panel in writing before implementation of fare adjustment. Keen to ensure that there would be sufficient lead time for consideration by the Panel, he asked when the Panel would be so notified. STH responded that the Administration had already undertaken to report to the Panel in writing on the outcome of the calculations under FAM three weeks before 30 June 2009.

*(Post-meeting note: The requested information was issued vide LC Paper No. CB(1)1582/08-09 on 14 May 2009.)*

31. Highlighting the current economic downturn, Mr WONG Kwok-hing enquired whether, instead of allowing MTRCL to adjust fares upwards as empowered under FAM, the Administration would seek to influence MTRCL's fare increase decision by invoking the Chief Executive (CE)-in-Council's power to give direction to MTRCL in relation to any matter concerning the franchise if CE considered the public interest so required. In response, STH reiterated that FAM could reflect the overall economic situation. As there were still a few months before 30 June 2009, it might be too early to assume that FAM could not reflect the economic situation and consider invoking the power. Moreover, great care had to be exercised in invoking the power because the Mass Transit Railway Ordinance (Cap. 556) also stipulated that the Government was liable to pay compensation to MTRCL for loss or damage sustained by MTRCL arising from its compliance with CE's direction. Ms Miriam LAU shared her views.

32. Mr LEUNG Kwok-hung opined that instead of paying the above compensation to MTRCL for loss arising from CE's direction, the Administration should use the money concerned for subsidizing MTRCL's passengers, who were mostly the grassroots. In fact, to tackle the problem of railway fares at root, the Government should buy back or take over MTRCL because it was Hong Kong people who had funded its development over the years. In response, STH reiterated that FAM could directly reflect CCPI and the Nominal Wage Index (Transport Services). As such, if the economy was bad and there was a downward trend in the above indices, upward adjustment of railway fares would not be triggered.

33. Ms Miriam LAU stressed the need to observe FAM in setting railway fares unless it was substituted by another system, and opined that by incorporating changes in CCPI and the wage index, if review of these factors could be conducted in a timely manner, FAM might be able to reflect the

current economic situation. In response to her and Mr LEE Cheuk-yan, DSTH explained that FAM adopted a direct-drive approach under which the overall rate for adjusting railway fares this year would be linked to the year-on-year percentage changes in CCPI and the wage index for December 2008 over those for December 2007 as published by the Census and Statistics Department in April 2009, and a productivity factor of zero (it was a pre-agreed fixed number and would be 0.1% starting from the 6<sup>th</sup> year of the rail merger, i.e. 2013). Under FAM's triggering mechanism, if the outcome of the calculations under FAM was smaller than  $\pm 1.5\%$ , there would be no adjustment in fares for the relevant year and the calculated overall fare adjustment rate would be carried forward and incorporated into the following year's adjustment rate.

34. Mr LEE Cheuk-yan expressed concern that the above statistics could not reflect the current economic situation, which had significantly deteriorated recently. Moreover, the wage index could not reflect large-scale lay-offs. As such, despite the present adverse circumstances, railway fares might still be adjusted upwards to the detriment of the travelling public. DSTH responded that the year-on-year changes in CCPI for November 2008 was 3.1%, while that for October 2008 was 1.8% and those for the months before, at around 3%. The year-on-year changes in the wage index for the past two quarters had stayed below 1%. It was therefore still premature to make any estimation at this stage.

35. The Deputy Chairman pointed out that Members belonging to the Democratic Party had great reservation about the rail merger mainly because of FAM, under which fare adjustments would be automatically made without any control. Mr LEE Cheuk-yan added that considering that market forces might not operate effectively to keep railway fares down, the Government might consider buying back MTRCL. STH responded that a fare reduction package had in fact been implemented on Day One of the rail merger. Moreover, railway fares might not necessarily increase because FAM would reflect the economic situation. There might therefore be a need to monitor the situation for a longer period of time before considering the buy-back option.

#### Monthly passes and other fare concessions

36. Mr LEE Cheuk-yan enquired whether MTRCL would cut the East Rail and West Rail Lines Monthly Pass when the relevant scheme ended on 30 June 2009. In his view, monthly passes should be introduced on all New Territories railway lines to help reduce the travelling expenses of people living in remote new towns. Mr LEUNG Kwok-hung added that the Octopus Card should be used to provide monthly pass concessions. CEO/MTRCL responded that no decision had been made in this regard as the scheme had yet to expire. He further pointed out that MTRCL had on quite a number of occasions taken the lead to introduce concessions to benefit its passengers. In

so doing, MTRCL had to give regard to its operating conditions and to review the concessions from time to time. Fare concessions were therefore not permanent in nature.

37. Mr LEE Cheuk-yan said that he had also been urging MTRCL to provide fare concessions for PwDs but to no avail. The Deputy Chairman said that the \$2 concessionary elderly fare had in fact been provided to secure support of the rail merger. In response, CEO/MTRCL reiterated that no decision on the East and West Rail Lines Monthly Pass would be made until nearer June 2009, and MTRCL presently did not have any plan to expand its monthly pass system.

38. Mr Albert CHAN opined that little could be done to urge MTRCL to provide fare concessions given the establishment of FAM. He however urged MTRCL to consider local needs when setting its fare levels. For example, the generally lower incomes of the residents of remote new towns, and hence the need to help them reduce travelling expenses by introducing monthly passes.

### **III Any other business**

39. There being no other business, the meeting ended at 4:45 pm.

Council Business Division 1  
Legislative Council Secretariat  
29 July 2009