

政府總部
運輸及房屋局

運輸科
香港添馬添美道 2 號
政府總部東翼



Transport and
Housing Bureau
Government Secretariat

Transport Branch
East Wing, Central Government Offices,
2 Tim Mei Avenue,
Tamar, Hong Kong

Our Ref. THB (CR) 33/1017/99

Your Ref.

Tel: 3509 8158

Fax: 2537 5246

12 November 2012

Ms Connie Szeto
Clerk to Panel on Transport
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong
(Fax : 2523 9187)

Dear Ms Szeto,

Panel on Transport
Motion passed at the special meeting on 30 October 2012

I refer to your letter dated 31 October 2012. The Administration's response to the motion passed at the special meeting held on 30 October 2012 is provided in the Annex.

Yours sincerely,



(Miss Jessica CHENG)

for Secretary for Transport and Housing

c.c.

MTRCL

Transport Department

(Attn: Mr Jeff Leung)

(Attn: Ms Stella Lee)

Review on Fare Adjustment Mechanism of MTR Corporation Limited

At the special meeting of the Legislative Council (LegCo) Panel on Transport on 30 October 2012, the following motion was passed:

“That as the Government has failed to conduct an extensive consultation on the mechanism which provides for both upward and downward adjustments of MTR fares, this Panel urges the Government to extend the consultation period to the end of 2012.”

2. This paper sets out the response of the Transport and Housing Bureau (THB) in respect of the motion.

3. The fares as well as the Fare Adjustment Mechanism (FAM) of the MTR Corporation Limited (MTRCL) have been widely discussed in the community. The Panel on Transport of the Fourth LegCo discussed MTRCL's fares and its FAM at three meetings from April to June 2012. Therefore, we have a certain extent of understanding on the views of the public and the LegCo on this subject. This consultation exercise did not start from scratch.

4. The purpose for THB to issue a consultation paper for this public consultation exercise is to further let the public express their views on the FAM of MTRCL. The consultation period started on 17 September and the deadline was 31 October. Having regard to some requests for extending the consultation period, it has been extended to 18 November and will last for two months.

5. The launching of the consultation exercise was announced via press release issued on 17 September and the consultation paper was uploaded to the websites of THB and the Transport Department (TD). Besides, the Government sent letters (together with the consultation paper) on the same day to the Traffic and Transport Committee of all District Councils to invite members' views, and attended meetings for discussion on this subject when requested. The consultation paper has also been posted on the Public Affairs Forum website of the Home Affairs Bureau to invite public discussions. We also attended the special meeting of the LegCo Panel on Transport, and the Transport Advisory Committee meeting held on 30 October so as to listen to views from different parties.

6. As we pointed out at the meeting held on 30 October, we are working

under a very tight timeframe and it is difficult to further extend the consultation period. The Government plans to complete the review and discussions with MTRCL in early 2013, with a view that the new FAM shall be applied in the MTR fare adjustment next year.

7. We welcome the public to send their views to TD during the rest of the consultation period. Upon the completion of the consultation, we will continue to listen to the views of the public and the LegCo expressed through different channels while taking forward our works.

**Transport and Housing Bureau
November 2012**