

**Opening Remarks by the Secretary for Transport and Housing
at the LegCo Special Finance Committee Meeting (Transport)
on 1 April 2015**

Honourable Chairperson,

I would like to brief Members on our priority areas under the Transport portfolio in the new financial year.

2. Regarding land transport infrastructure, further to the announcement of “Railway Development Strategy 2014” in September last year, we are now preparing the planning work for some of the recommended railway projects, including the Northern Link and Kwu Tung Station, Tuen Mun South Extension and East Kowloon Line.

3. We are implementing large-scale road projects including the Tuen Mun-Chek Lap Kok Link, the Central-Wan Chai Bypass and Island Eastern Corridor Link, the widening of Tolo Highway and Fanling Highway, as well as the related local projects of the Hong Kong-Zhuhai-Macao Bridge, namely the Hong Kong Boundary Crossing Facilities and the Hong Kong Link Road projects. Projects under planning include the Central Kowloon Route, the Tseung Kwan O-Lam Tin Tunnel, and the Tseung Kwan O Cross Bay Link, etc.

4. We will soon commence the “Public Transport Strategy Study” to review the overall strategic arrangements of public transport services. This is to enhance the complementarity amongst the various public transport services and their sustainability, while ensuring that the public can enjoy efficient services with reasonable modal choices. Meanwhile, we are considering the "Report on Study of Road Traffic Congestion in Hong Kong", which was submitted to me by the Transport Advisory Committee (TAC) in December last year. The Government will respond to the recommendations once it is in the position to do so.

5. As regards expanding the Hong Kong International Airport (HKIA) into a three-runway system (3RS), the Airport Authority (AA) has put up a financial plan based on the “joint contribution” principle. AA proposes to finance the project through the use of internal funds, borrowings and charging the users. The Government agrees that this approach is more equitable and reasonable than direct Government funding out of general revenue received from tax payers.

6. In light of the comments from the Government and the public, AA will consider lowering the proposed charge level of the Airport Construction Fee to be collected from departing passengers. AA will announce the revised financial arrangement, the related financial information and economic benefit analysis in due course.

7. The Government will fully cooperate with the work of the Subcommittee on 3RS project to be set up in the Legislative Council (LegCo) and brief the LegCo on issues relating to the project. In addition, we are also considering the establishment of a consultative committee so as to allow the key stakeholders in society to monitor the 3RS project together.

8. On port development, the release of the “Study on the Strategic Development Plan for Hong Kong Port 2030” in December last year proposes recommendations to strengthen the existing port facilities to enhance the competitiveness of Hong Kong Port and to meet the forecast growth in cargo throughput up to 2030. The Government is reviewing the allocation and management of port backup land in the vicinity of the Kwai Tsing Container Terminals. Proposals will be set out in a document for industry consultation in due course.

9. The development of high value-added maritime services (including maritime law and arbitration, ship broking, finance insurance, etc.) will be one of the priority areas of work. Last year, the Transport and Housing Bureau commissioned an expert study to look into the organisation and scope of work of the proposed new maritime body. The expert study is now in the final stages. Thereafter, we will consult the LegCo and the industry.

10. On the logistics side, we have reserved ten hectares of land in Tuen Mun West (Areas 38 and 49) for high-value added logistics development and the findings of the related Traffic Impact Assessment (TIA) have been reported to the District Council. We will continue to follow up the matter with the district, with a view to releasing the site to the market as soon as possible.

11. On marine safety, the Marine Department (MD) has implemented the first phase of improvement measures, including enhancing look-out by crew, the provision of a muster list, review of minimum safe manning scale, improving signage and directives relating to lifejackets, and the requirement of fitting watertight-door alarms in wheelhouse. Next, MD will follow up on improvement measures relating to the installation of navigational and communication equipment as well as provision of lifejackets on passenger vessels, the training and physical fitness of crew, etc.

12. Honourable Chairperson, I would be pleased to answer questions from Members with regard to policies. My Secretaries and Directors would also be pleased to answer questions regarding operation and deployment of financial resources.

Transport and Housing Bureau
March 2015