立法會 Legislative Council

LC Paper No. CB(4)1390/14-15 (These minutes have been seen by the Administration)

Ref: CB4/PL/TP/1

Panel on Transport

Minutes of meeting held on Friday, 16 January 2015, at 9:00 am in Conference Room 3 of the Legislative Council Complex

Members present: Hon Michael TIEN Puk-sun, BBS, JP (Chairman)

Hon TANG Ka-piu, JP (Deputy Chairman)

Hon LEE Cheuk-yan Hon James TO Kun-sun

Hon CHAN Kam-lam, SBS, JP Hon WONG Kwok-hing, BBS, MH Hon Jeffrey LAM Kin-fung, GBS, JP

Hon Ronny TONG Ka-wah, SC

Hon CHAN Hak-kan, JP Hon Paul TSE Wai-chun, JP Hon LEUNG Kwok-hung Hon Albert CHAN Wai-yip

Hon Claudia MO

Hon Frankie YICK Chi-ming

Hon WU Chi-wai, MH Hon Gary FAN Kwok-wai Hon CHAN Han-pan, JP Dr Hon KWOK Ka-ki

Dr Hon Elizabeth QUAT, JP Hon POON Siu-ping, BBS, MH

Ir Dr Hon LO Wai-kwok, BBS, MH, JP

Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Hon Tony TSE Wai-chuen, BBS

Members attending: Hon CHAN Yuen-han, SBS, JP

Dr Hon Fernando CHEUNG Chiu-hung

Member absent: Hon Mrs Regina IP LAU Suk-yee, GBS, JP

Public Officers attending

Agenda item III

Mrs Ingrid YEUNG, JP

Commissioner for Transport

Mr CHEUNG Jin-pang

Assistant Commissioner for

Transport/Administration & Licensing

Ms Cordelia LAM

Principal Assistant Secretary for Transport and

Housing (Transport)2

Agenda item IV

Mr YAU Shing-mu, JP

Under Secretary for Transport and Housing

Ms Rebecca PUN Ting-ting, JP

Deputy Secretary for Transport and Housing

(Transport)1

Miss Winnie WONG Ming-wai

Principal Assistant Secretary for Transport and

Housing (Transport)3

Mr Peter LAU Ka-keung, JP

Director of Highways

Mr TAM Hon-choi

Government Engineer/Railway Development 2

Highways Department

Agenda item V

Professor Anthony CHEUNG Bing-leung, GBS, JP Secretary for Transport and Housing

Ms Rebecca PUN Ting-ting, JP Deputy Secretary for Transport and Housing (Transport)1

Ms Judy CHUNG Sui-kei Principal Assistant Secretary for Transport and Housing (Transport)5

Mr Peter LAU Ka-keung, JP Director of Highways

Mr CHOW Chun-wah Project Manager/Hong Kong- Zhuhai-Macao Bridge Hong Kong Project Management Office Highways Department

Agenda item VI

Professor Anthony CHEUNG Bing-leung, GBS, JP Secretary for Transport and Housing

Mr Joseph LAI Yee-tak, JP Permanent Secretary for Transport and Housing (Transport)

Mr YAU Shing-mu, JP Under Secretary for Transport and Housing

Mrs Ingrid YEUNG, JP Commissioner for Transport

Mr Peter LAU Ka-keung, JP Director of Highways

Ms Rebecca PUN Ting-ting, JP
Deputy Secretary for Transport and Housing
(Transport)1

Mr Andy CHAN Shui-fu, JP

Deputy Secretary for Transport and Housing

(Transport)2

Ms Ivy LAW Chui-mei

Deputy Secretary for Transport and Housing

(Transport)3

Clerk in attendance: Ms Sophie LAU

Chief Council Secretary (4)6

Staff in attendance: Ms Macy NG

Senior Council Secretary (4)6

Ms Emily LIU

Legislative Assistant (4)6

<u>Action</u>

I. Information papers issued since last meeting

(LC Paper No. CB(4)237/14-15(01)

- Administration's response to issues raised by Shatin District Council members on the expansion of bus interchange at Shing Mun

Tunnel

LC Papers Nos. CB(4)241/14-15(01) and CB(4)300/14-15(01)

- Letter from Hon Claudia MO on illegal parking of minibuses of Chiu Luen Public Light Bus Company Limited in Mongkok and the Administration's response

LC Paper No. CB(4)301/14-15(01)

- Information paper on the requirements of the new franchises for the bus networks of Citybus (Franchise Limited for Hong Kong Island and Cross-Harbour Bus

Network) and New Lantao Bus Company (1973) Limited

LC Paper No. CB(4)305/14-15(01)

 Administration's response to the letter from Hon KWOK Wai-keung on the display of taxi driver identity plates)

Members noted the above papers issued since the last meeting.

2. <u>Ms Claudia MO</u> considered the Administration's response to her letter on illegal parking of minibuses of Chiu Luen Public Light Bus Company Limited in Mongkok too brief. She requested that the Administration should explain in detail the matter and provide information on the number of relevant prosecutions in the past three years. <u>The Chairman</u> agreed to follow up the matter with the Administration.

Chairman

II. Items for discussion at the next meeting on 27 February 2015

(LC Paper No. CB(4)349/14-15(01) - List of outstanding items for discussion

LC Paper No. CB(4)349/14-15(02) - List of follow-up actions)

- 3. <u>Members</u> agreed to discuss the following items at the next regular meeting to be held on 27 February 2015
 - (a) Dualling of Hiram's Highway between Clear Water Bay Road and Marina Cove and improvement to local access to Ho Chung;
 - (b) Widening of Tai Po Road (Sha Tin Section) detailed design and site investigation; and
 - (c) Proposed revision to fees and charges relating to road traffic (Batch 2).

III. Proposed creation of one permanent post in the Vehicle Safety and Standards Division and upgrading of the post of Departmental Secretary in the Transport Department

(LC Paper No. CB(4)270/14-15(03) - Administration's paper on proposed creation of a

permanent Chief Electrical and Mechanical Engineer post and a permanent Principal Executive Officer post in Transport Department)

4. At the invitation of the Chairman, <u>Commissioner for Transport</u> ("C for T") briefed members on the Administration's staffing proposal to create a permanent Chief Electrical and Mechanical Engineer ("CEME") post in the Vehicle Safety and Standards Division ("VSSD") of the Transport Department ("TD"); and upgrade the Departmental Secretary ("DS") post to Principal Executive Officer ("PEO") rank in TD.

Creation of CEME post in VSSD

- 5. <u>Mr WONG Kwok-hing</u> indicated support for the Administration's staffing proposal. He asked whether the proposed CEME post would facilitate the work of establishing new standards and vehicle approval requirements as well as providing a regulatory framework for those vehicles. <u>Mr Tony TSE</u> asked for the rationale of pitching the CEME post at directorate level.
- 6. <u>C for T</u> replied that the creation of the CEME post would facilitate the implementation of the relevant tasks mentioned by Mr WONG Kwok-hing. She further explained that the post of CEME would not only require sound professional knowledge, but also rich experience in public administration as well as the ability to make balanced assessment taking into consideration government policies, public sentiment, and impact on the trade, etc. As such, a professional engineer, pitching at directorate rank, with a higher level of strategic vision and social and political sensitivity, was needed.
- 7. <u>Mr POON Siu-ping</u> expressed support for the staffing proposal. Both <u>Mr POON</u> and <u>Mr Tony TSE</u> expressed concern on whether there were enough existing staff in VSSD to support the CEME post to be created.
- 8. <u>C for T</u> advised that the establishment of VSSD was increased from 119 in January 2009 to 143 in January 2015 to meet the increased workload, with most of the increased headcount at the basic rank of the technical and professional grades. However, there was not any increase in the number of senior posts in VSSD in the past decade. The proposed CEME post was necessary to lead and steer the work of VSSD.

- 9. <u>The Deputy Chairman</u> welcomed the Administration's staffing proposal. He asked whether TD's vehicle examination centres ("VECs") were profit-making or not; and whether there had been any complaint cases in respect of the probity of staff working in VECs.
- 10. <u>C for T</u> advised that VECs were non-profit-making and self-financing. However, the existing fees and charges for provision of service by VECs might not be easily adjusted in line with the increased cost due to public sentiment against any increase in fees. <u>C for T</u> added that so far, there had not been major concerns made by the Independent Commission Against Corruption ("ICAC") on examining vehicles and handling applications for vehicle type approvals by TD staff. In respect of the annual examinations for private cars and some light goods vehicles not exceeding 1.9 tonnes carried out by the Designated Car Testing Centres ("DCTCs") which were appointed by TD, <u>C for T</u> said that ICAC had recently conducted a review on the relevant procedures and made some recommendations. She advised that most of those recommendations had already been put into practice.
- 11. <u>Ms Claudia MO</u> noted that TD had been spending much effort on the granting of exemption permits to vehicles with specifications which were widely adopted in overseas countries but not meeting the requirements in Hong Kong. She considered that TD should review whether certain existing legislation was in line with the prevailing international standards and amend them if necessary, instead of simply employing more staff to carry out the work.
- 12. <u>C for T</u> explained that VSSD would update vehicle construction and maintenance legislation to establish new standards and vehicle approval requirements in view of technology-related developments in the automotive industry. She added that following the future implementation of the International Whole Vehicle Type Approval regulation in developed countries, TD would review the vehicle type approval regulations, as well as the framework and procedures in Hong Kong for alignment of the approval requirements and procedures with overseas practices. She said that the relevant work would be complicated and call for the thorough and strategic thinking of a directorate grade officer to ensure that the revised procedures would be transparent to and easy to understand by the motor trades, and would be fair to both authorised and parallel importers.
- 13. <u>Mr Jeffrey LAM</u> indicated support for the staffing proposal. Given the different safety standards of vehicles adopted in different countries, he asked how the proposed CEME post would help establish an appropriate standard for Hong Kong. <u>Mr Paul TSE</u> made the same enquiry.

- 14. <u>C for T</u> said that universality would be one of the primary concerns while TD established the safety standard of vehicles in Hong Kong. She added that one of the major duties of the CEME post would be strengthening the liaison with overseas regulatory authorities and professional bodies to acquire the most up-to-date vehicle safety and standard-related legislation and vehicle examination practices in the world; and establishing the relevant approval regulations, and the framework and procedures in Hong Kong.
- 15. <u>Mr Frankie YICK</u> supported the Administration's staffing proposal. He and <u>Mr Paul TSE</u> expressed concern on the prolonged waiting time for vehicle examinations and urged TD to work out measures to address the problem.
- 16. <u>C for T</u> said that there had not been major revisions on the guidelines and practice for conducting vehicle examinations at DCTCs since 2000. The duration of each vehicle examination was kept at about 20 minutes. In light of the views on long waiting time for making an appointment of vehicle examination at some DCTCs, TD had posted a notice on its website, licensing offices and DCTCs advising vehicle owners to arrange their vehicles for examination at their earliest convenience. In addition, TD had also enhanced the online appointment system to enable applicants to make enquiries and view the appointment status of different DCTCs.
- 17. <u>C for T</u> agreed that there was a need to review the adequacy of DCTCs to meet the increasing demand as the number of DCTCs remained unchanged in the past 22 years. She pointed out that the standards and requirements that potential DCTC candidates should make would have to be reviewed and recommendations made by ICAC earlier would also have to be taken into account. She advised that the above job would be handled by the CEME.
- 18. Mr Tony TSE suggested the CEME to review the need to relax the legislative requirement for private cars aged six years or more to undergo annual vehicle examination due to the improved functions and durability of private cars. C for T agreed to study Mr TSE's suggestion.

Upgrading of DS post to PEO rank

19. <u>Mr POON Siu-ping</u> noted that the proposed PEO post would need to steer the fine-tuning of minor operational problems after the relocation of TD's headquarters in 2019-2020, and enquired about the details of the anticipated operations.

- 20. <u>C for T</u> advised that the office relocation exercise involved the relocation of the Emergency Transport Coordination Centre and Area Traffic Control Centres. Given the important functions of the above centres, it was essential to have a seamless transition in relocating their facilities from the existing location to the new office to ensure there was no service disruption. Nevertheless, as the relocation would involve the dismantling and re-assembling of sophisticated electronic equipment, she believed that minor fine-tuning of the relevant facilities in the new office was necessary.
- 21. Mr Paul TSE asked about the objective of upgrading the DS post to PEO rank. C for T explained that the main reason for upgrading the DS post to PEO rank was the increasing work complexity of the DS post. She cited an example that one of the challenging jobs of DS was to review the duties of some departmental grades staff. She explained that a higher rank staff was necessary to deal with the job as the review would have implications on the promotion opportunity and remuneration of the relevant grades.
- 22. <u>The Chairman</u> put the Administration's staffing proposal to vote. Seven members voted for and three members voted against it. <u>The Chairman</u> concluded that the Panel supported the staffing proposal and submission of it to the Establishment Subcommittee for further consideration.

IV. Proposed extension of one supernumerary post in the Railway Development Office of the Highways Department

(LC Paper No. CB(4)270/14-15(04)

 Administration's paper on staffing proposal relating to the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link

LC Paper No. CB(4)270/14-15(05)

- Paper on the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link project and its staffing arrangement prepared by the Legislative Council Secretariat (background brief))

- 23. Upon invitation, <u>Under Secretary for Transport and Housing</u> ("USTH") briefed members on the Administration's staffing proposal to retain a supernumerary post at the rank of Chief Engineer (D1) (designated as Chief Engineer/Railway Development 2-3 ("CE/RD2-3")) for a period of 4.5 years from 7 July 2015 to 31 December 2019 in the Railway Development Office ("RDO") of Highways Department ("HyD") to continue to manage the Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") project.
- 24. Mr CHAN Han-pan did not oppose to the Administration's staffing proposal as he believed that the rejection of it would have adverse implications on the Administration's monitoring of the XRL project. Noting that the Chief Executive had set up the Independent Expert Panel ("IEP") to examine the XRL project and its report had yet to be published, he doubted whether it was too early to examine the staffing proposal as IEP might make some recommendations relating to the establishment of RDO.
- 25. <u>USTH</u> advised that IEP had submitted its report to the Chief Executive on 15 December 2014. After seeking legal advice on how to handle the report, the Administration would publish it in an appropriate manner and follow up the recommendations contained therein where appropriate. <u>USTH</u> and <u>Director of Highways</u> ("DHy") stressed the importance of retaining the CE/RD2-3 post to lead the dedicated division and continue monitoring the implementation of the XRL project.
- 26. Mr WU Chi-wai considered it more appropriate for members to examine the staffing proposal after studying IEP's recommendations as those recommendations might be contradictory to the staffing proposal. Noting that the new target for commissioning XRL would be by the end of 2017, he and Ms Claudia MO asked about the reasons for extending the CE/RD2-3 post until late 2019. The Chairman also queried why the expiry of the CE/RD2-3 post (i.e. July 2015) was set before the original target commissioning date of XRL (i.e. late 2015) when the post was created in 2008.
- 27. <u>DHy</u> explained that according to the Administration's experience in past mega-scale projects, most of the claims assessment were anticipated to be completed in two years' time after commissioning. He added that CE/RD2-3 had to be involved in the mediation, arbitration and litigation processes that might arise from these claims. Therefore, the Administration considered it essential to maintain the post of CE/RD2-3 until end December 2019.
- 28. <u>DHy</u> further explained that when the Administration created the CE/RD2-3 post in 2008, the Administration envisioned that the post would be

required for a certain period of time after the original target commissioning date in 2015 to manage claims resolution and contract finalisation work. Since it was anticipated that some railway projects would be completed in around 2015, the Administration decided to bid for the post until 6 July 2015 and then review the continued need of the post taking into account the overall staffing situation in HyD by that time. Based on the latest assessment, HyD concluded that it was operationally not possible for the existing directorate officers within HyD to take up the XRL project without adversely affecting the discharge of their current duties. Thus, the post of CE/RD2-3 had to be extended.

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29. At the request of Mr WU Chi-wai, <u>the Administration</u> agreed to follow up with Mr WU's request for supplementary information on the concrete recommendations which had been made by the incumbent of CE/RD2-3 and his team in respect of the monitoring of the XRL project in the past seven years.

(*Post-meeting note*: The supplementary information provided by the Administration was issued vide LC Paper No. CB(4)567/14-15(01) on 26 February 2015.)

- 30. Mr WONG Kwok-hing pointed out that the delay of the XRL project had reflected the unsound monitoring system of the project. He queried why the incumbent of CE/RD2-3, who oversaw the XRL project, and his team could not identify the project delay in a timely manner by better communication with the MTR Corporation Limited ("MTRCL"). He was concerned about how the monitoring system could be enhanced with the extension of the CE/RD2-3 post. The Chairman also expressed concern about who would bear the additional cost as a result of the project delay.
- 31. <u>USTH</u> said that the necessity of the post of CE/RD2-3 should be considered separately from the matters on who would have to bear the responsibility of cost overrun. He stressed that it was essential to retain the post of CE/RD2-3 to continue monitoring of the XRL project. As for the matters on whether the incumbent of CE/RD2-3 had properly discharged the duties and how the monitoring system could be further enhanced, they would be reviewed by IEP.
- 32. <u>Ms Claudia MO</u> considered that the Administration should advise who would be holding the office of the post of CE/RD2-3 after the post extension. She also asked how the Administration was confident that the Hong Kong section of XRL would be commissioned in 2017 or not; and the implications of

not approving the staffing proposal by the Finance Committee upon the expiry of the current CE/RD2-3 post by 6 July 2015.

- 33. <u>USTH</u> replied that the MTRCL had recently provided HyD with information of its Programme to Complete ("PTC") for commissioning the XRL project by the end of 2017. Having reviewed PTC, HyD considered that the commissioning date could be attained provided that various major conditions were satisfied.
- 34. <u>DHy</u> supplemented that the CE/RD2-3 post would need to ensure the smooth implementation of the XRL project within the revised project programme. The post would also need to take full charge of project implementation, including contractual issues and financial control. The relevant work would be affected if the staffing proposal was not approved.
- 35. The Deputy Chairman noted that unlike building works projects for which independent surveyor would be engaged to carry out the quantity surveying work, consulting engineers of infrastructural projects would be responsible for the relevant project cost control work. He queried the effectiveness of such an arrangement for the latter as he noted that the ratio of cost overrun for infrastructural projects was far higher than that of building works projects. He asked about the party which carried out the quantity surveying work of the XRL project.
- 36. <u>DHy</u> advised that HyD had been following the guidelines of the Development Bureau ("DEVB") on conducting the quantity surveying work for public works projects. He believed that no matter whether an independent surveyor was engaged, the quantity surveying work would be conducted by qualified quantity surveyors in a professional manner. He explained that for building works projects, the site concerned tended to be small and confined, and it was relatively easier to collect data about the ground conditions. As for infrastructural projects, especially for the Hong Kong section of XRL which was as long as 26 km, there would be greater variations on ground conditions, leading to possibly more contractual claims. <u>DHy</u> further advised that the quantity surveyor of the XRL project was engaged by MTRCL.
- 37. Mr Albert CHAN noted that with the proposed extension of the CE/RD2-3 post for 4.5 years, the post would have been created for a period of 11 years. In his view, this had already violated the principles of creating supernumerary posts. He requested the Administration to provide written information on the total cost of running the XRL project division in the extended period of 4.5 years, including the staff cost of the Chief Engineer, five Senior Engineers, eight Engineers and one Assistant Engineer, and

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relevant office expenditure.

38. <u>DHy</u> advised that the staff cost for running the XRL project division for 4.5 years based on the current staff set up would be about \$97 million. He added that of the 14 non-directorate staff in the XRL project division, some were permanent posts deployed from other divisions and thus the staff cost of those staff would not be counted in the staff cost for XRL project division. <u>USTH</u> agreed to provide a written reply in this regard as appropriate.

(*Post-meeting note*: The supplementary information provided by the Administration was issued vide LC Paper No. CB(4)567/14-15(01) on 26 February 2015.)

- 39. <u>The Chairman</u> related Mr Frankie YICK's message that Mr YICK's enquiry was similar to that of Mr CHAN Han-pan and Mr YICK's view was in line with that of Mr WONG Kwok-hing.
- 40. <u>The Chairman</u> put the Administration's staffing proposal to vote. At the request of Mr Albert CHAN, <u>the Chairman</u> ordered a division. Five members voted for and three members voted against the proposal. The voting results were as follows:

For

Mr TANG Ka-piu Dr Hon Elizabeth QUAT Mr CHAN Kam-lam Ir Dr LO Wai-kwok

Mr CHAN Han-pan

(5 members)

Against

Mr Albert CHAN Mr WU Chi-wai

Ms Claudia MO

(3 members)

41. <u>The Chairman</u> concluded that the Panel supported the staffing proposal and submission of it to the Establishment Subcommittee for further consideration.

(At 10:30 am, the Chairman ordered a break of 10 minutes.)

V. Hong Kong-Zhuhai-Macao Bridge Hong Kong Boundary Crossing Facilities - reclamation and superstructures

(LC Paper No. CB(4)270/14-15(06)

 Administration's paper on Hong Kong-Zhuhai-Macao Bridge Hong Kong Boundary Crossing Facilities
 Reclamation and Superstructures

LC Paper No. CB(4)270/14-15(07)

- Paper on Hong Kong-Zhuhai-Macao Bridge Hong Kong Boundary Crossing Facilities prepared by the Legislative Council Secretariat (background brief)
- LC Papers Nos. CB(1)210/14-15(02) and CB(4)349/14-15(03)
- Letter from Hon TANG
 Ka-piu requesting to conduct
 a site visit to the
 construction site of the Hong
 Kong boundary crossing
 facilities and the
 Administration's response)
- 42. At the invitation of the Chairman, <u>Secretary for Transport and Housing</u> ("STH") briefed members on the Administration's proposal to increase the approved project estimate ("APE") of 845TH (i.e. Hong Kong-Zhuhai-Macao Bridge ("HZMB") Hong Kong Boundary Crossing Facilities ("HKBCF") Reclamation and Superstructures) ("the project") by \$5,461.1 million from \$30,433.9 million to \$35,895.0 million in money-of-the day ("MOD") prices.
- 43. <u>DHy</u> then explained to members with the aid of powerpoint on the reasons for increasing APE of the project; and the difficulties and challenges of implementing the project (LC Paper No. CB(4)374/14-15(02)).

Project cost of HKBCF, HZMB Main Bridge and other related local projects

44. <u>Mr Jeffrey LAM</u> indicated support for the funding proposal. He said that given the complexity of the HKBCF project and other factors which were beyond the control of the Administration, it would be difficult to make a very accurate cost estimate on the project before implementation. Having noted

the increasing prices of construction materials, in particular aggregates for reclamation, he asked about the Administration's measures to avoid further increase in the project cost in the future. He also enquired about the details of the superstructure works on HKBCF.

- 45. <u>STH</u> advised that of the ten works contracts of the entire HKBCF project, five works contracts had been awarded and that another two would be awarded very soon. He said that the cost of these seven works contracts would be equivalent to about 90% of the total estimated cost of the project. The Administration considered that the current estimate should be relatively realistic and accurate. <u>DHy</u> supplemented that there was a tight supply of aggregates and rock fill for reclamation due to the closure of some quarry sites in Guangdong Province. He advised that HyD and contractors had been actively considering cost-saving measures like sourcing alternative materials and that the additional costs involved should be within the revised APE of the HKBCF project.
- 46. In respect of the scope of superstructure works on HKBCF, <u>DHy</u> advised that it included mainly the reclamation to provide land for the development of HKBCF, construction of passenger and cargo clearance facilities, provision of accommodation for and facilities of Government departments, provision of transport facilities and road access for connecting HKBCF to HZMB Hong Kong Link Road ("HKLR"), Tuen Mun-Chek Lap Kok Link ("TM-CLKL") and the Hong Kong International Airport, and other associated infrastructures and facilities, etc.
- 47. Mr Tony TSE expressed his dissatisfaction over the many significant cost overrun for large infrastructural projects in recent years. He considered Administration necessary for the to review the methodology/mechanism to prepare the cost estimate for works projects. Quoting the example that the increase was more than 50% for items c, d, e, h and k in Enclosure 5 of the draft Public Works Subcommittee ("PWSC") paper (i.e. Annex to CB(4)270/14-15(06)), he gueried whether the cost overrun of the HKBCF project was due to increase in manpower or material cost, or calculation mistakes in the original cost estimate. He asked whether an independent consultant had been engaged for preparing the project cost estimation. He was also disappointed that now that it was 2015 and the Administration still could not tell when the project would be completed.
- 48. <u>DHy</u> explained that the two major reasons for the increase in APE for the HKBCF project were higher-than-expected costs of superstructure works and increase in provision for price adjustment. He added that there had been quite a surge in the cost of plant and machinery needed for the HKBCF

superstructure works starting from mid-2011. The rental cost of heavy construction plant such as piling plant, tower cranes, crawler cranes, excavators and rollers had increased by about 30% to 55% from mid-2011 to mid-2014.

Admin

49. At the request of Mr Tony TSE, the Administration agreed to explain the reasons for the specified items in Enclosure 5 as mentioned above in paragraph 47.

(*Post-meeting note*: The supplementary information provided by the Administration was issued vide LC Paper No. CB(4)628/14-15(01) on 11 March 2015.)

- 50. The Chairman, Mr CHAN Han-pan and Mr WU Chi-wai respectively raised concern over whether there would be cost overrun for the HZMB Main Bridge and other related local projects too. Mr WU Chi-wai asked whether the construction cost of the above projects would be lowered if the commissioning of HZMB was to be postponed, thus providing a less tight programme.
- 51. <u>STH</u> advised that the total construction cost of the HZMB Main Bridge was RMB 38.1 billion, and that the Mainland Government would contribute a total of RMB 7 billion, whilst the governments of Hong Kong and Macao would contribute RMB 6.75 billion and RMB 1.98 billion respectively. The remaining funds would be financed by loans. He said that the HZMB Authority was still reviewing the anticipated completion date and the relevant cost to be incurred by the HZMB Main Bridge project.
- 52. <u>STH</u> further said that the Administration had recently established a "traffic light" system to facilitate monitoring of major local transport infrastructural projects. At present, there was a "red light signal" of the HKBCF project. <u>STH</u> explained that due to the increase in construction cost, APE of the HKBCF project had to be increased, regardless of the commissioning date of HZMB.
- 53. <u>DHy</u> supplemented that under the TM-CLKL project, three contracts had already been awarded, with the cost amounting to about 90% of the project's APE. The cost of the three contracts was within the project's APE.

Admin

54. At the request of Mr WU Chi-wai, the Administration agreed to provide information on the expenditure of the HZMB Main Bridge project on the part of the Hong Kong SAR Government as at the end of 2014 before the proposal was submitted to PWSC.

(*Post-meeting note*: The supplementary information provided by the Administration was issued vide LC Paper No. CB(4)628/14-15(01) on 11 March 2015.)

- 55. The Chairman, Mr Tony TSE and Dr KWOK Ka-ki requested the Administration to review the current tender procedures. The Chairman suggested the Administration to consider asking the contractor to bear all risks, including the market fluctuation in labour and material costs, and reflect the relevant estimated cost in the tenders submitted. He explained that this would save the need and time to seek for an increase in provision due to price adjustment later. Ms Claudia MO concurred with the Chairman's view.
- 56. <u>Ir Dr LO Wai-kwok</u>, however, opined that the Chairman's suggestion would push up considerably the tender price. He believed that Members would be very willing to examine any financial proposal should there be a need for increasing the APE of projects because it was Members' duty to monitor the proper use of public money.
- 57. In response, <u>STH</u> said that the price adjustment for contract price fluctuation payment was assessed based on the price adjustment factors derived from the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output together with the cash flow of the project. He believed that if tenderers had included all risk factors in their tender submissions, the tender price would turn out to be very high and it would be difficult for the Administration to assess whether the tender price was reasonable or not, in particular for projects which would last for a period of years.
- 58. <u>DHy</u> supplemented that as a cost saving measure and to make the tender price more reasonable, the Administration did not require contractors to complete certain non-essential works in tandem with essential works for the commissioning of HKBCF.
- 59. Mr WONG Kwok-hing opined that the judicial review against the decisions of the Director of Environmental Protection as regards the approval for the Environmental Impact Assessment Reports and the granting of Environmental Permits relating to HKBCF and HKLR ("JR") had led to an increase in the project cost of HKBCF. He asked about the portion of the \$5.4 billion cost increase for the HKBCF project which was entailed by JR. He also asked about the total legal cost of the Government spent on JR; and the cost of legal aid granted to the applicant of JR.

Admin

60. <u>STH</u> agreed to provide the relevant figures on the total legal cost of the JR concerned after the meeting. He said that in 2011, the Administration had estimated that there would be an additional cost increase of about \$6.5 billion in MOD prices due to the JR. The Administration believed that one of the major reasons for the higher-than-expected tender prices for the above works was tenderers' higher risk assessment for the tight works programme.

(*Post-meeting note*: The supplementary information provided by the Administration was issued vide LC Paper No. CB(4)628/14-15(01) on 11 March 2015.)

- Ms Claudia MO considered that JR was only a means to monitor whether the Government's policy was in the public's interest. She asked about the Administration's deadline for obtaining approval from the Finance Committee of the increase in APE for the HKBCF project and whether the past records of contractors on construction safety would be taken into account while the Administration assessed the relevant tenders.
- 62. <u>DHy</u> advised that the Administration planned to award the remaining three tenders of the HKBCF project in the third quarter of 2015. He confirmed that safety performance of contractors was one of the factors which would be considered while the Administration assessed the tenders received. He said that there were terms in the tender documents requiring contractors to implement a series of safety measures, including the establishment of Site Safety and Environmental Management Committee for coordinating site safety issues.

Work progress of HKBCF, HZMB Main Bridge and other related local projects

- 63. <u>Some Members</u>, including <u>the Deputy Chairman</u>, <u>Ir Dr LO Wai-kwok</u> and <u>Mr Tony TSE</u> expressed concern over the work progress of HZMB Main Bridge, HKBCF and other related local projects.
- 64. <u>STH</u> said that according to the compilation and assessment of the latest works progress as of the third quarter in 2014, the Joint Works Committee of the Three Governments ("JWC") jointly set up by the three governments opined that it would be very difficult for the entire HZMB project to be completed at the same time by end 2016. JWC and HZMB Authority would further conduct an in-depth and objective analysis of the programme with a view to coming up with a programme target. As regards the HZMB-related local projects, <u>STH</u> advised that according to HyD's latest

assessment, it appeared that they could not be completed in time by 2016 as originally scheduled.

- DHy supplemented that the reclamation works of HKBCF was in 65. progress with about 69% of the works completed so far. The contract of passenger clearance building was awarded in April 2014 and the relevant foundation work had just commenced. The infrastructure works in the western portion of HKBCF had also commenced in July 2014. As for the HKLR project, the reclamation at the east coast of the Airport Island for roads connecting to the Airport was in progress with about 43% of the works completed so far. Regarding TM-CLKL, DHy said that there was a delay of about three months for the southern connection which linked HKBCF and the The contractor was implementing recovery road network of North Lantau. measures to mitigate the delay. The works of the northern section of TM-CLKL which linked Tuen Mun and HKBCF were on schedule. DHy further explained that there were many reasons accounting for project delay, including the performance of contractors or unexpected geographical conditions.
- 66. Mr CHAN Kam-lam agreed that the implementation of the HZMB project was a difficult task because apart from the construction of the HZMB Main Bridge, HKBCF, HKLR and the southern connection of TM-CLKL had to be completed in tandem to dovetail with the commissioning of HZMB. Expressing concern on the impact of the uncooperative movement initiated by some Members recently on approval of financial proposals and hence the progress of project, he asked about the period of validity of the two tenders to be awarded and the possible impact of the uncooperative movement on the above projects.
- 67. <u>DHy</u> advised that the two works contracts of the HKBCF project would soon be awarded with funds secured and that the tenders were valid until February/March 2015. He drew members' attention to the difficulties of implementing the HZMB Main Bridge project, which included the construction of a 30 km dual carriageway in the form of bridge-cum-tunnel structure and the need to put the ponderous tunnel units to the designated locations precisely deep under the sea. <u>STH</u> added that the major implication of the works delay was the deferred income to be generated from toll collection for using the Bridge.

Other views

- 68. <u>Dr KWOK Ka-ki</u> noted that the cargo and passenger throughput in Hong Kong had been decreasing in recent years. Together with some unfavourable factors in Hong Kong's environment, he considered the economic value of HZMB to be low. He asked if the Administration would consider that HZMB should not have been built from hindsight.
- 69. <u>STH</u> said that HZMB was strategically important to facilitate the further economic development of Hong Kong, Macao and Western Pearl River Delta ("PRD"). He explained that there had been rapid economic growth in PRD, with its output accounting for about 9% of the total Gross Domestic Product of Mainland China. The commissioning of HZMB would facilitate the connection between Hong Kong and Western PRD, thus increasing the cargo and passenger throughput in Hong Kong.
- 70. Mr Gary FAN suggested the Administration to consider scaling down the HKBCF project and to plan for its expansion after commissioning, having regard to the actual traffic flow. Noting that the contract completion date of the traffic control and surveillance system ("TCSS") for HZMB-related local projects (i.e. late 2017) was set later than the projects' completion date (i.e. late 2016). He expressed concern on the implications of such arrangement.
- 71. <u>DHy</u> explained that the contract of TCSS included HKBCF, HKLR and TM-CLKL. He confirmed that TCSS was essential to their commissioning. However, since the northern connection of TM-CLKL would be commissioned in a later stage, i.e., 2018, the contract completion date of TCSS for the project was set later.
- 72. <u>Members</u> noted that the Administration had planned to develop the topside of HKBCF in the near future. <u>Mr CHAN Han-pan</u> asked whether the Administration would keep the design of superstructures and facilities on HKBCF as simple as possible to avoid wastage in the future. <u>Mr WU Chi-wai</u> asked whether the current design of HKBCF had catered for its future development.
- 73. <u>STH</u> said that the project estimate of HKBCF did not include its topside commercial development mentioned in the 2014 Policy Address; and that such development would not affect the commissioning of HKBCF as well as the operation of passenger or cargo clearance. <u>DHy</u> supplemented that DEVB was working out details of the future development on HKBCF, making use of the topside or underground area of HKBCF.

74. In response to Ms Claudia MO's enquiry about the number of licences to be issued for cross-boundary vehicles after the commissioning of HZMB, STH replied that under the first phase of the Ad Hoc Quota Trial Scheme for Cross-boundary Private Cars, qualified owners of Hong Kong private cars issued with ad hoc quotas could drive their private cars to the Guangdong Province; and that the average number of quotas issued each day had yet to reach its limit of 50. Experts of the two governments would have to further study and discuss the specific arrangements for the second phase of the Scheme, which would allow Guangdong private cars to enter Hong Kong. At present, there was yet any concrete timetable for rolling out the second phase of the Scheme.

Conclusion

75. <u>The Chairman</u> put the financial proposal to vote. At the request of Dr KWOK Ka-ki, <u>the Chairman</u> ordered a division. Ten members voted for and six members voted against the proposal. The voting results were as follows:

For

Mr WONG Kwok-hing Mr Frankie YICK Chi-ming

Mr TANG Ka-piu Mr CHAN Han-pan Mr CHAN Kam-lam Mr POON Siu-ping Mr CHAN Hak-kan Ir Dr LO Wai-kwok

Mr Paul TSE Wai-chun Mr Tony TSE Wai-chuen

(10 members)

Against

Mr LEE Cheuk-yan Mr WU Chi-wai

Mr Ronny TONG Ka-wah Mr Gary FAN Kwok-wai

Ms Claudia MO Dr KWOK Ka-ki

(6 members)

76. <u>The Chairman</u> concluded that the Panel supported the financial proposal which would be submitted to PWSC for further consideration.

VI. Briefing by the Secretary for Transport and Housing on the Chief Executive's 2015 Policy Address

(LC Paper No. CB(4)349/14-15(04)

- Administration's paper on transport-related policy initiatives of the Transport and Housing Bureau under the 2015 Policy Agenda)

(At 12:11 pm, the Chairman extended the meeting by 15 minutes.)

77. Upon invitation, <u>STH</u> briefed members on the transport-related policy initiatives of the Transport and Housing Bureau ("THB") featured in the 2015 Policy Address.

<u>Transport studies</u>

- Mr Frankie YICK expressed disappointment that only a small part of 78. the 2015 Policy Address covered the subject of transport. He supported the Administration's conduct of different transport studies, including the Public Transport Strategy Study ("PTSS") and the Traffic Congestion Study. However, he noted that the scopes of those studies were rather limited and they would not address issues like the cross-boundary transportation needs and provision of car parking spaces, etc. As such, he urged the Administration to expeditiously launch the Fourth Comprehensive Transport Study ("CTS") to review in a holistic way the transport policies in Hong Kong. Regarding the report of the Traffic Congestion Study submitted by the Transport Advisory Committee ("TCS/TAC"), Mr Frankie YICK expressed concern over the Administration's timetable of implementing the relevant recommendations and whether the Administration would consult the public and the transport trade before taking forward any proposals.
- 79. <u>STH</u> responded that the broad directions as laid down in CTS-3, such as using railway as the backbone of the public transport system and provision of better public transport services and facilities, remained valid and had been implemented through different policies and measures over the years. In fact, the Railway Development Strategy 2014 ("RDS-2014") and, upon completion, PTSS would have already covered a wide range of transport issues. Hence, the Government had no plan to conduct CTS-4. In tandem with the further development of the railway network, the Government considered it appropriate to carry out PTSS to examine the respective roles and positioning of various public transport services other than the railway.

- 80. <u>STH</u> further said that the provision on car parking spaces would be considered in the context of the Government's response to the recommendations of the TCS/TAC. Regarding the cross-boundary traffic, he said that the matter hinged on the arrangements mutually agreed by both the Mainland Government and the Hong Kong SAR Government as part of the regular liaison mechanism.
- 81. Mr WONG Kwok-hing and Mr POON Siu-ping asked about the Administration's timetable of conducting PTSS. Mr WONG suggested including in the study the review on the Administration's policy in respect of the fees of bridges and tunnels, prohibition areas for taxis and minibuses, setting up of taxi stands, MTR feeder bus service, and the section fares of cross-harbour bus routes after they crossed the harbour. He said that although discounts were recently offered to passengers of some cross-harbour bus routes after they crossed the harbour, he considered that the matter should be reviewed comprehensively by the Administration.
- 82. The Deputy Chairman agreed with Mr WONG Kwok-hing that PTSS should review the toll charging of bridges and tunnels as he noted that there were inconsistencies in the toll charging policies for different bridges and tunnels.
- 83. <u>STH</u> said that the Government was about to commence PTSS and targeted to complete the study in about two years. He advised that PTSS comprised two parts, namely the Role and Positioning Review and Topical Study. He explained that public transport services involved a wide range of policy issues. The scope of PTSS would be confined to the more important topics or those of greater concern to the public or the trades. It would not cover policies that had been working well or issues that could be effectively handled under the existing mechanisms. He added that the Administration would be willing to liaise with MTRCL regarding its feeder bus services if there were any concrete proposals.
- Mr Gary FAN queried why the Administration had not taken the views of Members on expeditiously launching CTS-4 after the relevant motion had been passed at the Council Meeting of 7 January 2015. He said that the transport policy of using railway as the backbone of the public transport system had led to railway hegemony, undermining the room for operation of other public transport modes and the public's choice of public transport. He further referred to a report published by an international consultancy firm in April 2014 which revealed that the development of a cycling network and a bicycle sharing system in Hong Kong was rated as poor. In his opinion, solutions to above problems could only be addressed under CTS-4.

- 85. <u>STH</u> reiterated that the Government would maintain the current transport policy of using railway as the backbone of the public transport system. This was because railway was more efficient in terms of carrying capacity and was more environmentally friendly compared to other public transport means. It was also the public's wish to have railway service within their districts. Notwithstanding that road-based services, including franchised buses, would continue to play an important role in the public transport system. The share of rail patronage would still be less than 50% of all public transport patronage even after the implementation of all the railway projects recommended under RDS-2014.
- 86. <u>STH</u> further said that the objective of PTSS was to enhance the complementarity amongst the various public transport services other than the railway. This was to ensure that the public could continue to enjoy efficient services with reasonable modal choices on the one hand, and that the public transport trades could enjoy sustainable and long-term development on the other hand. Regarding the cycling policy in Hong Kong, <u>STH</u> said that different cities faced different challenges while promoting cycling. The Government would consider looking into the possibility of developing a bicycle sharing system in Hong Kong.
- 87. Mr Tony TSE expressed disappointment that the Administration would not conduct CTS-4. He hoped that the Administration would comprehensively review the transport policy rather than studying the outcome of various transport studies on a piecemeal basis. He also suggested including tram operation in PTSS as trams were currently occupying a considerable area of road surface.
- 88. <u>STH</u> noted the views of Mr Tony TSE and assured members that the Government would take a comprehensive approach in considering the outcome of various transport studies.
- 89. The Deputy Chairman noted that although CTS-3 had recommended that the transport strategy should focus on better environmental protection, the use of electric vehicles was still not very popular up to the present. On the other hand, the tax incentives offered by the Administration to promote the use of environment-friendly vehicles had inadvertently encouraged more people to own cars. In this connection, he asked whether the Administration had assessed if the policies laid down in CTS-3 had been implemented effectively or not.
- 90. <u>STH</u> confirmed that the Government had all along been keeping in view the implementation of the recommendations of CTS-3. He further

explained that it was the goal of the Government to encourage the use of electric vehicles, but the result hinged on a number of factors including the availability of suitable vehicle types and adequate charging facilities, etc. He also undertook that the Government would give due regard to the observations made by TCS/TAC recently on the impact of tax incentive scheme for environment-friendly petrol private cars on the growth of private cars.

- 91. Mr CHAN Kam-lam noted that there were suggestions to increase the seating capacity of public light buses ("PLBs") to help meet passenger demand during peak hours and increase the income of PLB trade. He urged the Administration to consult the transport trade on the suggestion as early as possible as it might have read-across implications over other kinds of public transport.
- 92. <u>STH</u> said that the Government would explore whether it was feasible and desirable for PLBs to increase the number of passenger seats in PTSS.
- 93. <u>Miss CHAN Yuen-han</u> was dissatisfied that the Administration had been adopting a piecemeal approach to solve the transport problems and highlighted the need for innovative ideas in transport planning. As such, she expressed support for the conduct of PTSS. She was aware that many suggestions had been made by the public on transport matters, for examples, solutions to the traffic congestion problem on the Clear Water Bay Road and suggestion of building a cycle track along the harbourfront of the Hong Kong Island in tandem with other public works. However, those suggestions were not adopted by the Administration.
- 94. <u>STH</u> noted the views of Miss CHAN. He agreed that the Government should adopt an innovative approach to address the transport problems but he remarked that immediate solutions were sometimes required to solve the problems urgently.

Railway development

- 95. Mr CHAN Han-pan noted that the Administration had planned to develop the New Territories West ("NTW") to accommodate the increasing population. He asked whether the Administration would conduct a study to adjust the transport strategies in NTW and to revisit the proposals which were not included by the Administration in RDS-2014.
- 96. <u>STH</u> assured members that there would be traffic impact assessment for individual development projects and the Government would propose

mitigation measures as appropriate to ensure that the transport infrastructure would be able to cope with the additional traffic flow brought by new development projects. He further said that RDS-2014 announced in September 2014 had already catered for future transport needs by 2031 according to the planning data available during the study.

- 97. The Chairman said that the New People's Party welcomed the Administration's plan to conduct a preliminary study on the East Lantau Metropolis to look into the development of artificial islands in the eastern waters off Lantau, including the provision of ancillary transport infrastructure to link up the western part of the New Territories and Hong Kong Island. He was concerned that if the consultant recommended constructing the fifth cross-harbour railway line, whether the matter would be put under the purview of THB or DEVB.
- 98. <u>STH</u> advised that while the proposed development of the East Lantau Metropolis was under the purview of DEVB, THB would be responsible for any transport infrastructure development arising from the relevant project.
- 99. Mr POON Siu-ping noted that due to the archaeological discoveries, the work progress of the Shatin to Central Link ("SCL") was affected and MTRCL had been requested to carry out delay recovery measures to mitigate the delay. He asked whether the Administration was confident that SCL could be commissioned as scheduled.
- 100. <u>STH</u> said that the SCL project was suffering a cumulative delay of at least 11 months due to the archaeological discoveries. While the Government had requested MTRCL to carry out delay recovery measures, there were still risks of delay. The commissioning date for the Tai Wai to Hung Hom section of SCL might be postponed from 2018 to 2019. He said that the Government would continue to closely monitor the works progress of the project.

Monitoring of MTRCL

- 101. Mr WONG Kwok-hing was dissatisfied that while MTR fares were increased every year, there were still frequent service disruptions/railway incidents. He called on the Administration to review the monitoring and punishment mechanisms for MTRCL in respect of railway service and implementation of railway projects.
- 102. <u>STH</u> said that the Government was very concerned about the monitoring of railway projects as well as the service performance of MTRCL.

To enhance the safety inspection and monitoring of existing railway service and new railway projects, the Government had planned to strengthen the manpower of the Electrical and Mechanical Services Department. Besides, it was impossible to achieve "zero incident" in practice for any public transport modes in the world. The incident rate of MTR should be compared with similar large-scale railway systems in overseas cities for assessing the performance of MTRCL. He remarked that the reliability and safety of the MTR service had been maintained at an internationally-recognized high standard. The Government always required that MTRCL should put safety first under all circumstances.

- 103. Noting in the Policy Address that the Government would enhance its monitoring of MTRCL, Mr LEE Cheuk-yan asked whether the Administration admitted that the monitoring of MTRCL had been inadequate in the past. He suggested the Government buy back the shares of MTRCL such that the Administration could take charge of the fare matters. He also expressed concern over the crowdedness on platform of MTR stations and in train compartments and urged the Administration to work out measures to address the problem.
- STH explained that MTRCL was a listed company and the Corporation was responsible for the operation of its daily business. At present, the Government had no plan to buy back the shares of MTRCL. Nevertheless, MTRCL had to achieve a public objective and operate according to the transport policies of the Government. The Government would also strengthen its monitoring of MTRCL. STH further said that improvement to the crowdedness of MTR stations and train compartments hinged on the room for further increase in train frequency, which was confined by the limit of the signalling system. In this regard, MTRCL was planning to upgrade its signalling system where feasible. He added that RDS-2014 provided a framework for railway development up to 2031 and the recommended railway projects would be implemented in phases to meet the demand.
- 105. <u>The Chairman</u> noted that the workload of the Operations Director of MTRCL was very heavy as he needed to oversee a number of railway lines. He suggested MTRCL to appoint more operations directors to strengthen the monitoring of different railway lines. To enhance the MTR service, he also suggested MTRCL to establish a committee on service excellence.
- 106. <u>STH</u> said that the Government attached great importance to the service performance of MTRCL but would respect MTRCL's internal staffing arrangement. He added that after the incident of delay of the Hong Kong section of XRL project, MTRCL had set up a Capital Works Committee and a

Risk Committee. One of the duties of the latter was to review MTRCL's risks, including service performance risk.

- 107. Mr POON Siu-ping pointed out that unlike railway services in overseas where more than one company was operating the service, there was only one railway company in Hong Kong. He expressed concern over the effectiveness of Administration's measures to enhance the monitoring of MTRCL's operations and the implementation of future railway projects.
- 108. <u>STH</u> said that before 2007, there were two companies operating the railway services. They were then merged to achieve synergy. However, it did not mean one company monopolizing the public transport services as other public transport modes still played important roles in the public transport system. He explained that the Government, as the majority shareholder of MTRCL, would ensure that the services delivered by MTRCL would meet the public's interest. <u>STH</u> further said that generally speaking, the seven new railway projects recommended under RDS-2014 would be implemented according to the Operating Agreement signed between the Government and MTRCL.

Provision of hillside escalator links and elevator systems ("hillside escalator links") and the "Universal Accessibility" ("UA") Programme

- 109. Mr WU Chi-wai and Mr Paul TSE expressed concern over the progress of providing hillside escalator links in Hong Kong. Mr Paul TSE enquired whether the Administration would continue to accept new suggestions. Pointing out that the implementation of hillside escalator links and UA Programme might involve various government departments and parties, he suggested the Administration to consider appointing a government department responsible for the relevant coordination work.
- 110. <u>STH</u> advised that there was an established set of criteria for assessing proposals for hillside escalator links to determine the priority for conducting preliminary technical feasibility studies. The Government would first deal with the 18 ranked proposals before following up new suggestions. He drew members' attention that the construction of hillside escalator links would involve huge investment with long implementation period. In addition, there should be prior consensus in the district for the implementation.
- 111. <u>STH</u> further said that proposals within private premises were out of the ambit of the UA Programme and their implementation would require the consent of the owners concerned. He said that the Government would

enhance the transparency of implementing the UA Programme as far as practicable.

112. <u>DHy</u> supplemented that among the top 13 ranked proposals for hillside escalator links, the proposal ranked ten would be revisited by HyD after satisfactory repair of the relevant dangerous slopes by the owners concerned. The proposals ranked the first and 13th were under construction. The remaining proposals were in different stages of implementation including technical feasibility study, planning and design.

Other views

- 113. Mr CHAN Kam-lam asked if the Administration had any plan to rationalize the traffic distribution among the three road harbour crossings ("RHCs") with a view to relieving the traffic congestion problem in Central subsequent to the return of the ownership of the Eastern Harbour Crossing ("EHC") to the Government in 2016.
- 114. <u>STH</u> said that the Government considered toll adjustment an effective tool to rationalize RHC traffic. The transfer of EHC's ownership to the Government and the commissioning of the Central-Wan Chai Bypass in around 2017 would provide a window for the Government to draw up a scheme involving all three RHCs to rationalize the distribution of cross-harbour traffic. At present, the Government was liaising with the franchisee of EHC on the takeover arrangement.
- 115. Mr WU Chi-wai asked whether the Administration would work out measures to improve the safety of cycling on roads as a means to promote a "bicycle friendly" environment.
- 116. <u>STH</u> said that it was the Government's policy to foster a "bicycle friendly" environment in new towns and new development areas by improving cycling facilities. The Government was also studying the possibility of relaxing some prohibition zones for bicycles to further facilitate cycling. Given the busy road traffic conditions in urban areas, it would be difficult to implement measures to give priority use of roads by cyclists.
- 117. Mr Tony TSE considered that real-time transport information should be provided to drivers to make more efficient use of the roads. As such, he requested the Administration to allocate more resources to develop the electronic transport information system. He also hoped that the Administration would continue its efforts to improve the safety of pedestrian environment.

- 118. The Deputy Chairman recalled that in 2012, the Chief Executive had proposed to restructure THB such that more attention could be paid to formulating transport and housing policies respectively. The proposal was however not pursued eventually. He asked whether STH considered it better to have THB re-organized from hindsight.
- 119. <u>STH</u> responded that according to his experience in the past two years, he considered it better to have THB reorganized such that both transport and housing aspects could be attended to more effectively. In fact, he was spending the majority of his time on the transport policy issues.

VII. Any other business

120. There being no other business, the meeting ended at 1:17 pm.

Council Business Division 4
<u>Legislative Council Secretariat</u>
4 August 2015