

# 立法會

## *Legislative Council*

LC Paper No. CB(4)513/15-16  
(These minutes have been seen  
by the Administration)

Ref : CB4/PL/TP/1

### **Panel on Transport**

**Minutes of meeting held on  
Friday, 6 November 2015, at 9:30 am  
in Conference Room 1 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 CHAN Hak-kan, JP  
Hon LEUNG Kwok-hung  
Hon Albert CHAN Wai-yip  
Hon Claudia MO  
Hon Frankie YICK Chi-ming, JP  
Hon WU Chi-wai, MH  
Hon YIU Si-wing, BBS  
Hon Gary FAN Kwok-wai  
Hon Charles Peter MOK, JP  
Hon CHAN Han-pan, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Dr Hon Elizabeth QUAT, JP  
Hon POON Siu-ping, BBS, MH  
Ir Dr Hon LO Wai-kiwok, SBS, MH, JP  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP

**Members absent** : Hon Mrs Regina IP LAU Suk-ye, GBS, JP  
Hon WONG Yuk-man  
Dr Hon KWOK Ka-ki  
Hon Tony TSE Wai-chuen, BBS

**Public Officers attending** : **Agenda item III**

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

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

Mr Jimmy CHAN Pai-ming  
Project Manager/Major Works  
Highways Department

Mr Raymond KONG Tai-wing  
Deputy Project Manager/Major Works(1)  
Highways Department

**Agenda item IV**

Professor Anthony CHEUNG, GBS, JP  
Secretary for Transport and Housing

Ms Ivy LAW  
Deputy Secretary for Transport and Housing  
(Transport)3

Mrs Ingrid YEUNG, JP  
Commissioner for Transport

Ms Macella LEE  
Assistant Commissioner/Management and Paratransit  
Transport Department

**Agenda item V**

Professor Anthony CHEUNG, GBS, JP  
Secretary for Transport and Housing

Mr Andy CHAN, JP  
Deputy Secretary for Transport and Housing  
(Transport)<sup>2</sup>

Miss Carrie CHANG  
Principal Assistant Secretary for Transport and  
Housing (Transport)<sup>1</sup>

Mrs Ingrid YEUNG, JP  
Commissioner for Transport

Ms Macella LEE  
Assistant Commissioner for Transport/Management  
and Paratransit  
Transport Department

**Agenda item VI**

Professor Anthony CHEUNG, GBS, JP  
Secretary for Transport and Housing

Mr Andy CHAN, JP  
Deputy Secretary for Transport and Housing  
(Transport)<sup>2</sup>

Ms Ann CHAN  
Principal Assistant Secretary for Transport and  
Housing (Transport) (Public Transport Strategy Study)

Mrs Ingrid YEUNG, JP  
Commissioner for Transport

Ms Macella LEE  
Assistant Commissioner for Transport/Management  
and Paratransit  
Transport Department

**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

Miss Kay PANG  
Legislative Assistant (4)7

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Action

**I. Information papers issued since the last regular meeting on 17 July 2015**

(LC Paper Nos. CB(4)1363/14-15(01) - Memoranda referring to the Panel the views and concerns raised by Kwai Tsing District Council members regarding the planning for housing in Tsing Yi; parking spaces for heavy vehicles; Lift and Pedestrian Walkway System between Kwai Shing Circuit and Hing Shing Road, Kwai Chung; and transport services at Northeast Kwai Chung  
to (04)

LC Paper No. CB(4)1370/14-15(01) - Administration's response to the letter from Hon TANG Ka-piu on the safety issues of works vehicles

LC Paper No. CB(4)1387/14-15(01) - Further memorandum referring to the Panel the views and concerns raised by Southern District Council members regarding the inadequate transport service for tourist facilities and

- construction of public pier at Deep Water Bay or Repulse Bay
- LC Paper No. CB(4)1397/14-15(01) - Administration's response to the letter from Hon Gary FAN Kwok-wai on the duty schedule system and pre-employment training arrangements for drivers of franchised bus companies
- LC Paper Nos. CB(4)1417/14-15(01) and (02) - Memoranda referring to the Panel the views and concerns raised by Tsuen Wan District Council members regarding the metered parking spaces being occupied by recyclers and the proposal of constructing a footbridge and covered walkway connecting Tsuen Wan West MTR Station with the Riveria Gardens and Belvedere Garden
- LC Paper No. CB(4)1422/14-15(01) - Memorandum referring to the Panel the views and concerns raised by Tsuen Wan District Council members regarding the provision of concessionary fare of \$2 applicable to bus service in Ma Wan for the elderly and eligible persons with disabilities
- LC Paper No. CB(4)1458/14-15(01) - Memorandum referring to the Panel the views and concerns raised by Kowloon City District Council members regarding

insufficient parking spaces for tourist coaches at To Kwa Wan and Hung Hom

- LC Paper No. CB(4)1495/14-15(01) - Information paper provided by the Administration on "Private Driving Instructors' Licences"
- LC Paper Nos. CB(4)1494/14-15(01) to (03) - Memoranda referring to the Panel the views and concerns raised by Tai Po District Council members regarding the planning policies of car parking spaces; construction of footbridge network; and the transport planning in Tai Po
- LC Paper No. CB(4)1518/14-15(01) - Memorandum referring to the Panel the views and concerns raised by North District Council members regarding the policy of treating bicycle as a means of transport
- LC Paper Nos. CB(4)142/15-16(01) and (02) - Letters from the Administration regarding the Net Revenue Statements of Western Harbour Tunnel Company Limited and Route 3 (Country Park Section) Company Limited)

Members noted the above papers issued since the last meeting.

- II. Items for discussion at the next meeting on 18 December 2015**  
(LC Paper No. CB(4)119/15-16(01) - List of outstanding items for discussion  
LC Paper No. CB(4)119/15-16(02) - List of follow-up actions)

2. Members agreed to discuss the following items at the next regular meeting to be held on 18 December 2015 –

- (a) Electronic Road Pricing; and
- (b) Franchise for the bus network of the Kowloon Motor Bus Co. (1933) Limited.

Special meeting to discuss the emergency transport arrangements after the closure of Kap Shui Mun ("KSM") Bridge

3. The Chairman said that on the night of 23 October 2015, KSM Bridge was suspected to have been struck by a vessel. As a result, all lanes of KSM Bridge were closed and the train services of the MTR Airport Express were also suspended for nearly two hours to facilitate inspection. The Deputy Chairman then wrote to the Chairman calling for a special meeting of the Panel on Transport ("the Panel") to discuss the emergency transport arrangements after the closure of KSM Bridge. Besides, five Legislative Council ("LegCo") Members had also requested to ask urgent questions at the Council Meeting of 28 October 2015. Although the President had turned down the above requests, he had recommended the Members concerned to consider discussing the matter at the Panel meeting.

4. The Chairman reported that he had liaised with the Transport and Housing Bureau to follow up the matter. He then consulted members on whether a special meeting should be held in this regard. After discussion, members agreed to hold a special meeting around late November 2015 to early December 2015 and invite non-Panel members to attend the meeting.

*(Post-meeting note: the special meeting was scheduled for 24 November 2015.)*

**III. 6101TX – "Universal Accessibility" Programme**

(LC Paper No. CB(4)119/15-16(03) - Administration's paper on 6101TX – "Universal Accessibility" Programme

LC Paper No. CB(4)119/15-16(04) - Paper on "Universal Accessibility" Programme prepared by the Legislative Council Secretariat (updated background brief)

5. At the invitation of the Chairman, Under Secretary for Transport and Housing ("USTH") briefed members on the Administration's proposal to seek approval from the Finance Committee ("FC") for an allocation of \$770.9 million in 2016-2017 for the block allocation Subhead 6101TX – "Universal Accessibility ("UA") Programme" under Capital Works Reserve Fund Head 706 – "Highways".

6. Deputy Project Manager/Major Works(1) of the Highways Department ("HyD") then briefed members with the aid of powerpoint on the latest progress of the UA Programme (LC Paper No. CB(4)193/15-16(01)).

Progress of the UA Programme

7. Mr Jeffrey LAM indicated support for the UA Programme. Noting that the population of Hong Kong had been ageing continuously, he urged the Administration to enhance inter-departmental communication and co-ordination so as to expedite the implementation of the UA Programme to meet the needs of the community. Mr WONG Kwok-hing also urged the Administration to speed up the funding arrangements to benefit the public. Mr CHAN Han-pan opined that the implementation progress of the UA Programme was satisfactory.

8. USTH replied that the creation of a new block allocation for implementation of the UA Programme allowed efficient and flexible works arrangement and resource allocation for carrying out retrofitting works. Despite difficulties encountered, the Administration would press ahead to implement the UA Programme.

9. Mr LEUNG Che-cheung expressed dissatisfaction with the slow implementation progress of the UA Programme as the Administration took around five years to complete some of the items. In this regard, he requested the Administration to provide details of difficulties encountered in its



implementation, including the proposals to retrofit lifts at some footbridges which were apparently owned by the Government but the party to be responsible for management could not be identified. In addition, he considered that the District Councils ("DCs") could assist the Administration to implement the UA Programme to some extent. Project Manager/Major Works of HyD explained that subject to obtaining the necessary funding allocation, around 80% of the items were anticipated to be progressively completed from end 2015 to 2018 as scheduled.

10. Mr POON Siu-ping expressed support to the UA Programme and hoped that it could be completed as soon as practicable. He proposed that the Administration should frequently update the details of the UA Programme through the Transport and Housing Bureau's website so that the community could keep abreast of the latest information. USTH replied that the Administration would regularly report the latest progress of the UA Programme to LegCo and DCs and that they would take Mr POON's views into account.

Admin

11. Mr Albert CHAN also requested the Administration to provide a list of all proposals which would be implemented under the UA Programme with progress and timetable of their implementation.

#### Review of the UA Programme

12. Mr CHAN Han-pan pointed out that some of the items under the UA Programme might not facilitate the mobility of persons in need who lived in hilly districts. In this connection, he suggested merging the proposals for hillside escalator links and elevator systems with the current UA Programme. In response, USTH explained that the provision of hillside escalator links and elevator systems and retrofitting of barrier-free access ("BFA") facilities at public walkways under the UA Programme were two different types of projects. The former usually involved larger scale of works and had more impact on the surroundings, and would require more time to implement.

13. Given that the usage rate of the proposed lift locations at some public walkways might not be high, Mr WU Chi-wai suggested that the Administration should review the existing UA Programme. For instance, the role of DCs should be enhanced by allowing them to allocate the assigned resources under the UA Programme according to the needs of each district. USTH responded that some DCs had proposed replacement to the selected priority items under the UA Programme, if considered necessary.

Admin 14. Ir Dr LO Wai-kwok welcomed the UA Programme as retrofitting of lifts would facilitate the mobility of persons in need such as the elderly. He also requested the Administration to provide information on the utility of the lifts which had been installed under the UA Programme. He expressed that the Administration should minimize the impact of suspension of lift service on the public due to maintenance and repair.

#### Proposals outside the ambit of the UA Programme

Admin 15. Mr WONG Kwok-hing expressed concern about those proposals made by the community for locations which fell outside the ambit of the UA Programme and were referred by the Administration to the relevant organizations for consideration and follow-up. Mr POON Siu-ping shared similar concern. At members' request, the Administration would provide information on the decision made by those relevant organizations on whether the proposals would be implemented or not.

16. Mr Albert CHAN pointed out that planning by and co-ordination between the Administration and the Link Real Estate Investment Trust ("the Link") had not been adequate in provision of BFA facilities at some locations, such as Yau Oi Estate in Tuen Mun. USTH stressed that it was the Administration's policy to encourage different organizations to provide BFA facilities under their purview. In addition, the Administration would endeavour to follow up with the relevant organizations the proposals outside the ambit of the UA Programme, including the Link.

17. Given that some of the public walkways involved complex issues like unclear land ownership and facilities management, the Deputy Chairman suggested establishing an arbitration mechanism under the Equal Opportunities Commission to judge whether BFA facilitates at certain public walkways should be installed or not. The Chairman asked about the number of footbridges which were apparently owned by the Government but the management party could not be identified, and suggested setting up a task force to address the problem. Sharing similar views and concerns with the Chairman and the Deputy Chairman, Mr LEE Cheuk-yan urged the Administration to address these issues as soon as practicable. In response, USTH advised that the Administration had taken note of members' concerns and was actively considering the relevant issues.

### Summing up

18. After discussion, the Chairman concluded that the Panel supported the Administration's submission of the funding proposal to the Public Works Subcommittee and FC for consideration.

#### **IV. Takeover arrangements of the Eastern Harbour Crossing**

(LC Paper No. CB(4)119/15-16(05) - Administration's paper on takeover arrangements of the Eastern Harbour Crossing)

19. At the invitation of the Chairman, Secretary for Transport and Housing ("STH") briefed members on the arrangements being taken by the Government to take over the Eastern Harbour Crossing ("EHC") upon expiry of the Build-Operate-Transfer franchise on 7 August 2016.

#### Tolls of EHC after taking over by the Administration

20. Mr WONG Kwok-hing requested the Government to lower the tolls of EHC as soon as possible upon the takeover of EHC on 7 August 2016.

21. The Chairman pointed out that though the Cross Harbour Tunnel ("CHT") and EHC had the same design capacities, there was a considerable difference between their actual traffic throughputs. In anticipation that the traffic situation was not going to be improved, he opined that the Administration should lower the tolls of EHC on a par with CHT to attract more vehicles to use EHC. The operating cost saved by public transport operators from the reduced tolls could be used to provide fare concessions to passengers.

22. The Deputy Chairman shared the Chairman's views in respect of lowering tolls of EHC and requested the Administration to consider the suggestion seriously because it would not only improve traffic management but also people's livelihood. He considered that the Administration should provide subsidies to franchised buses and public light buses ("PLBs") for using EHC as the reduced tolls would unlikely induce additional traffic from them. He also suggested the Administration to provide subsidies to taxis for using Western Harbour Crossing ("WHC") to align the cost of using WHC, CHT or EHC with a view to benefiting taxi passengers.

23. Mr CHAN Kam-lam expressed the view that under the "users pay" principle, the cost of constructing EHC should have been fully recovered within the franchise period. As such, the Administration should have the

financial capacity of reducing the tolls of EHC immediately after taking over it to benefit tunnel users. He suggested that a small amount of toll concessions could be offered to private cars while the tolls for other types of vehicles could be reduced to on a par with that of CHT for a period of time. While agreeing that a toll adjustment scheme should be implemented at WHC and EHC to rationalize traffic distribution among the three road harbour crossings ("RHCs"), he considered it too late to implement the said scheme after the commissioning of the Central-Wan Chai Bypass ("CWB").

24. STH recapped that instead of standardizing the tolls of CHT and EHC, the consultant engaged by the Administration to study the proposals to improve the traffic distribution among RHCs ("Consultant") considered that the tolls of CHT should be increased to achieve the aim of shortening the cross-harbour traffic queue such that it would not interfere with non-cross-harbour traffic at the connecting roads of CHT. He said that if the Administration lowered the EHC tolls immediately after taking over it without adequate assessment, the congestion problem at EHC and its connecting roads might be further aggravated.

25. Mr Frankie YICK and Mr LEUNG Che-cheung considered the effectiveness of reducing the tolls of EHC to divert traffic from CHT limited without adjusting the tolls of WHC. It was because due to the remote location of EHC, drivers were unlikely to travel a longer journey to enjoy the lower tolls. Mr YICK said that while he agreed that the tolls of EHC should not be lowered for all vehicles in the meantime, he opined that the Administration could consider reducing the tolls of EHC for franchised buses to tally with that of CHT on the condition that the saved cost of operating the relevant routes would be used to provide fare concessions to passengers.

26. Ir Dr LO Wai-kwok recalled that when being consulted in 2013 on the Administration's three options to reduce the tolls of EHC and increase the tolls of CHT, Panel members and the public were generally supportive of the Administration's proposal, in particular the option which suggested maintaining the toll levels for public transport vehicles. He was unconvinced of the Administration's explanation in 2014 that the proposal was put in abeyance because the traffic throughput of EHC had increased while that of CHT had decreased. In his view, the proposal put forth by the Administration in 2013 might achieve a certain degree of success in diverting the traffic from CHT to EHC.

27. STH explained that although some members of the public supported rationalizing traffic flow among RHCs through toll adjustment with tolls for public transport vehicles remained unchanged, there was no clear indication as

to which option was most preferred. He pointed out that the Kwun Tong DC and the Eastern DC had indeed expressed grave concerns over the possible adverse impact on traffic entailed by the proposed toll adjustment at EHC.

Proposal of buying back WHC and tolls of WHC

28. Mr WONG Kwok-hing considered that the Administration should set up a fund with the surplus gained from operating EHC and CHT for buying back WHC or introducing concessionary measures to attract more drivers to use WHC, thereby resolving the problem of uneven distribution of traffic volume among the three RHCs.

29. Mr Frankie YICK considered that the toll adjustment scheme should be implemented at CHT and WHC due to their proximity. He agreed with the Administration that the toll adjustment scheme should be implemented upon the commissioning of CWB. He opined that the Administration could consider standardizing the tolls of the three RHCs by increasing the tolls of CHT or substantially reducing the tolls of WHC or EHC. To this end, he and Mr LEUNG Che-cheung suggested the Administration to discuss with WHC operator on buying back WHC to allow flexibility for the Government to devise the above-mentioned toll adjustment scheme.

30. In response, STH explained that when devising strategies to rationalize the traffic distribution among RHCs, whether the tunnel was owned by the Government was not a crucial factor as the Government could provide subsidy to the tunnel operator to make up for the difference between the existing tolls and the reduced tolls based on actual traffic flow. While agreeing that WHC should be involved in the toll adjustment strategy, he said that it was not advisable to reduce the tolls of WHC at the moment given the congestion problem at the connecting roads of WHC. STH added that the issue of buying back WHC was complicated and sensitive as it involved the use of public money and determination of the asset value of WHC. He anticipated that standardizing the tolls among the three RHCs would aggravate the traffic congestion problem at CHT due to its most convenient location. As such, this proposal was not favoured.

31. Mr Charles MOK enquired whether the Administration had obtained the relevant traffic figures to devise appropriate strategies to rationalize traffic distribution among RHCs. If yes, he was concerned over how the Administration made use of the data to do the analysis. He considered that without supporting figures, he would not agree to buy back WHC to ensure the prudent use of public funds.

32. STH said that in proposing different options to rationalize the traffic distribution among RHCs in 2013, the Consultant had made use of traffic figures to make projections under different scenarios. When the Government decided to put in abeyance the toll adjustment proposal in February 2014, the decision was also made taking into account the traffic data.

Others views relating to the tolls of RHCs

33. Mr LEE Cheuk-yan, Mr POON Siu-ping and Mr James TO considered that the Administration should immediately implement a toll adjustment scheme to rationalize the traffic distribution among the three RHCs and should not wait until 2017 when CWB was commissioned. Attributing the uneven traffic distribution among the three RHCs to the big difference of tolls among them, Ms Claudia MO opined that the Administration should consider balancing the toll levels of the three RHCs after taking over EHC. She also asked about the Administration's timetable in this regard. Mr POON Siu-ping suggested providing toll concession tickets to encourage drivers to switch from EHC to WHC.

34. In response, STH said that although the traffic throughput of WHC had not reached its design capacity, the connecting roads of WHC were at present very congested during peak hours or even some non-peak hours. The commissioning of CWB would help ease the congestion of the connecting roads of WHC and would provide greater scope for the Government to consider a comprehensive toll adjustment scheme with a view to rationalizing the traffic distribution among the three RHCs.

35. STH added that the exact timetable of devising any toll adjustment scheme would depend on the actual commissioning time of CWB and stressed that the Administration would study the scheme prior to the commissioning of CWB. The Director of Highways had recently reported to the Wan Chai DC that, according to the latest assessment, CWB might not be commissioned by the end of 2017 as scheduled and HyD was assessing the revised schedule to complete the project.

36. Noting that the design capacity of WHC was not met at present, Mr LEE Cheuk-yan asked to what extent the increase in WHC's throughput would cause traffic congestion at its connecting roads. He also asked whether vehicles could be charged differently during morning peak hours and non-morning peak hours. In his view, the Administration should consider increasing the tolls of CHT, decreasing that of WHC, and keeping the current toll levels of EHC. He considered that experts should give advice on how the effectiveness of the toll adjustment options could be maximized.

37. Mr LEUNG Kwok-hung considered that the Administration should implement the toll adjustment scheme at the three RHCs to achieve the rationalization purpose. In his view, the Administration should consider slightly adjusting the traffic throughput of RHCs and provide subsidies to the relevant tunnel operators.

38. STH said that although the design capacity of daily traffic throughput of WHC was 118 000, its actual daily traffic throughput i.e. 64 000, had already exceeded its capacity which was limited to 55 000, given the constraints of its connecting roads. As such, it was not appropriate to further increase the traffic throughput of WHC at this stage. Commissioner for Transport ("C for T") supplemented that the Transport Department ("TD") had studied the feasibility of charging different toll levels at RHCs at different times of a day to ease traffic congestion. It was concluded that the proposal might affect the driving behaviour of drivers which would pose risks to road safety. For example, drivers might slow down or accelerate their vehicles in order to enjoy the lowered tolls near the time of toll-level change. As such, the proposal was not recommended.

39. Mr LEUNG Che-cheung asked whether the commissioning of CWB would really solve the congestion problem at the connecting roads of WHC. STH replied that according to the assessment of the Government, the commissioning of CWB would greatly relieve the congestion problem at the connecting roads of WHC.

40. Mr WU Chi-wai considered that the Administration should have comprehensive consideration while implementing the toll adjustment scheme, taking into account the situation of all the three RHCs. He considered that the Administration should give priority to users of public transport on the use of tunnels and their connecting roads. STH stressed that the Government had been implementing public transport-oriented policies which also applied to road use.

#### Job security of existing employees of the current EHC operator

41. Mr WONG Kwok-hing considered that while drawing up the terms of the management, operation and maintenance ("MOM") contract which would be effective upon the franchise expiry in August 2016, the Administration should safeguard the rights and benefits enjoyed by the existing employees of the current EHC operator. Mr POON Siu-ping added that the Administration should also consider including in the contract a mechanism to improve the remuneration of the employees of the MOM contractor.

42. STH and C for T advised that the Administration would require the future MOM contractor of EHC to make first offer of employment to 85% of the existing employees of the EHC franchisee at the existing salary levels. C for T supplemented that the remuneration of employees which would be offered by tenderers would be one of the factors to be assessed in the tender assessment exercise. However, the suggestion to include in the MOM contract a mechanism to improve the remuneration had to be considered carefully, and the Administration should strike a balance between the business operation of the contractor and protecting the benefit of tunnel staff. As reflected by tunnel operators, there was at present a great demand for tunnel personnel. TD believed that the remuneration of the employees of the future MOM contractor would be safeguarded through market mechanism.

### Motion

43. The Chairman said that he had received a motion proposed by Mr WONG Kwok-hing and seconded by the Deputy Chairman. Mr WONG Kwok-hing read out the wording of the motion as follow –

"本會要求政府在二零一六年八月七日收回東區海底隧道的專營權後，盡快調低東隧收費；同時將東隧、紅磡海底隧道的盈餘成立基金，用以回購西區海底隧道或推出優惠措施吸引市民使用，從而解決三條過海隧道車量不平均的問題。"

### (Translation)

"That this Panel requests the Government to lower the toll fees of the Eastern Harbour Crossing ("EHC") as soon as possible upon the takeover of the ownership of EHC on 7 August 2016; and at the same time, set up a fund with the surplus gained from EHC and the Cross Harbour Tunnel for buying back the Western Harbour Crossing ("WHC") or introducing concessionary measures to attract more users of WHC, thereby resolving the problem of uneven distribution of traffic volume among the three road harbour crossings."

44. Mr LEE Cheuk-yan proposed an amendment to the above motion by removing the words after "盡快" and adding "重新訂定三隧收費以達到最具效益的隧道、道路使用。" The amendment was seconded by Mr WU Chi-wai.

45. Members considered that the motion was directly related to the agenda item and the Panel proceeded to deal with the motion and the proposed



amendment. The Chairman said that he would first deal with the amendment proposed by Mr LEE Cheuk-yan.

46. The Chairman put to vote the amended motion proposed by Mr LEE Cheuk-yan as follow –

"本會要求政府在二零一六年八月七日收回東區海底隧道的專營權後，盡快重新訂定三隧收費以達到最具效益的隧道、道路使用。"

(Translation)

"That this Panel requests the Government to reset the toll fees of the three road harbour crossings as soon as possible upon the takeover of the ownership of the Eastern Harbour Crossing on 7 August 2016 so as to achieve the most effective use of tunnels and roads."

Mr WONG Kwok-hing requested a division. Five members voted for and seven members voted against it. The voting results were as follows:

*For*

Mr LEE Cheuk-yan

Mr James TO Kun-sun

Ms Claudia MO

Mr WU Chi-wai

Mr Charles Peter MOK

(5 members)

*Against*

Mr TANG Ka-piu

Mr CHAN Kam-lam

Mr WONG Kwok-hing

Mr CHAN Han-pan

Mr LEUNG Che-cheung

Ir Dr LO Wai-ki

Mr Christopher CHUNG Shu-kun

(7 members)

47. The Chairman declared that the amendment was negated.

48. The Chairman put to vote the original motion proposed by Mr WONG Kwok-hing and seconded by the Deputy Chairman. Eight members voted for, one member voted against it, and four members abstained from voting. The voting results were as follows:

*For*

Mr TANG Ka-piu  
Mr CHAN Kam-lam  
Mr WONG Kwok-hing  
Mr LEUNG Kwok-hung

Mr CHAN Han-pan  
Mr LEUNG Che-cheung  
Ir Dr LO Wai-kwok  
Mr Christopher CHUNG Shu-kun

(8 members)

*Against*

Mr Charles Peter MOK

(1 member)

*Abstain*

Mr LEE Cheuk-yan  
Mr James TO Kun-sun

Ms Claudia MO  
Mr WU Chi-wai

(4 members)

49. The Chairman declared that the motion was carried.

**V. Public Transport Strategy Study Topical Study – review on the statutory cap on the number of public light buses**

(LC Paper No. CB(4)119/15-16(06) - Administration's paper on Public Transport Strategy Study Topical Study – review on the statutory cap on the number of public light buses

LC Paper No. CB(4)119/15-16(07) - Paper on the statutory cap on the number of public light buses prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(4)178/15-16(01) - Submission from a member of the public)

50. At the invitation of the Chairman, STH briefed members on the Administration's findings of the review on the statutory cap on the number of PLBs under the Public Transport Strategy Study ("PTSS").

51. STH said that the number of PLBs had been capped at 4 350 since 1976. LegCo last agreed in 2011 to extend the effective period of the cap for another five years till June 2016. Upon detailed study, the Administration recommended extending the Public Light Buses (Limitation on Number) Notice, which would expire by 20 June 2016, by another five years to maintain the existing cap on the number of PLBs at 4 350 for another five years till June 2021. STH explained the key considerations. One was that following the continuous development of the railway network in recent years, the network and service of PLBs were being adjusted accordingly so that they could continue to perform their supplementary function. The average daily total PLB patronage was about 1.8 million passenger trips, accounting for a generally stable share of about 15% of the public transport services market over the past five years. Another key consideration was that the operating costs of PLBs had generally been increasing in tandem with inflation. In addition, the labour market had remained tight in recent years and it was not easy to recruit drivers. There was also keen competition from other public transport services. Against such background, the trade had indicated that the overall operating environment was becoming more challenging, with close to 60% of route packages not being able to balance their books. Furthermore, views received, including those from operators of franchised bus, non-franchised bus and taxis, were clearly in support of the retention of the cap at 4 350. STH also pointed out that the Administration noticed that service of some green minibuses ("GMBs") routes was unable to fully meet passenger demand in peak hours. In this regard, a more desirable measure would be to increase the seating capacity of PLBs. This proposed measure would be carefully considered under the Role and Positioning Review of PTSS. The review on PLB service was hoped to be completed by the third quarter of 2016.

#### Limitation on the number of PLBs

52. Mr WONG Kwok-hing expressed concern that placing a cap of 4 350 on the total number of PLBs might pose problems to meet the objective of improving PLB service, such as introduction of new routes and increase in PLB service frequency. Sharing similar views with Mr WONG, Mr LEUNG Che-cheung opined that increasing the number of PLBs could help meet the demand for PLB service, in particular during peak hours. STH explained that as the average occupancy rate of GMBs had remained at around 50%, the Administration recommended keeping the existing cap on the number of PLBs at 4 350. Otherwise, under the current operating environment, increasing the

number of PLBs might intensify competition and adversely affect the operation of the trade.

53. Mr Christopher CHUNG indicated support for maintaining the existing cap of 4 350 for the number of PLBs. Notwithstanding this, he was worried that the number of PLBs operating in some districts, such as the Siu Sai Wan district, was inadequate. In response, C for T explained that TD would discuss with PLB operators concerned how best to deploy their fleet. She said that one way of increasing the supply of GMBs was through the conversion of some red minibuses ("RMBs"). For example, RMB routes with reduced patronage due to the opening of new railways would have surplus vehicles that could be converted to GMBs.

#### Seating capacity of PLBs

54. The Chairman indicated that the New People's Party strongly supported the proposal of increasing the seating capacity of PLBs as it would enhance the overall public transport capacity without having to increase the vehicle number. In addition, he proposed that the Administration should consider encouraging PLB operators to introduce low-floor PLBs to facilitate wheelchair users through a replacement scheme of existing PLBs with more environmentally friendly ones. Mr LEE Cheuk-yan also expressed support for increasing the number of seats of PLBs as it might alleviate the demand for PLB service during rush hours. The Chairman and Mr LEE opined that the Administration should adopt an open attitude in the review and be willing to hear different views, in particular the views from the PLB trade. In response, STH advised that the Administration would keep an open mind in studying the feasibility and desirability of increasing the seating capacity of PLBs. The Administration would consult the trade and public once detailed proposals were formulated. He added that the Administration would review how to enhance access of people with disabilities to public transport services under a topical study of PTSS.

55. Mr LEUNG Che-cheung, Mr Christopher CHUNG, Mr Albert CHAN, Mr CHAN Han-pan and Mr CHAN Kam-lam also expressed support for the proposal of increasing the seating capacity of PLBs. Mr LEUNG suggested that the Administration should first increase the number of seats of GMBs before doing the same for RMBs because the operation of the latter was more flexible. Mr CHUNG opined that the proposal would bring benefits to those districts where commuters required PLBs to provide supplementary feeder service. Mr Albert CHAN expressed that if the proposal to increase the seating capacity of PLBs was to be implemented, PLB operators should offer fare concessions to the elderly.

56. The Deputy Chairman expressed that during the Administration's assessment of the proposal to increase the seating capacity of PLBs, the PLB trade might shelve all the plans to replace their existing fleet. He therefore urged the Administration to expedite the relevant assessment and decide whether to increase the seating capacity of PLBs as soon as practicable. STH responded that concerns of the community, including those of PLB trade and the Panel, were noted. The Administration had accorded priority to the review of PLB service under PTSS and would strive to complete the review on PLB service by the third quarter of 2016.

57. Apart from assessing the seating capacity of PLBs, Mr Charles MOK pointed out that the Administration should attach importance to enhancing safety and service of PLBs, which should be reviewed under PTSS in tandem. In response, STH explained that whilst PTSS would focus on the proposal to increase the seating capacity of PLBs, the Administration attached importance to other issues such as the safety and service of PLBs and would tackle those as appropriate.

#### Operating difficulties faced by PLB trade

58. Given PLB drivers' long working hours, the Deputy Chairman and Mr LEE Cheuk-yan suggested that the Administration should ask PLB operators to improve PLB drivers working hours having regard to the Guidelines on Bus Captain Working Hours, Rest Times and Meal Breaks followed by franchised bus companies. Also, the Deputy Chairman and Mr LEUNG Che-cheung raised concern over whether PLB operators would increase the remuneration of PLB drivers if the proposal to increase the seating capacity of PLBs was to be implemented. Sharing similar views, Mr WONG Kwok-hing urged TD to introduce measures as soon as possible to attract more young people and employees from other industries to join the PLB trade.

59. In response, STH advised that TD would continue to maintain regular communication with the PLB trade. The Administration would take into account views of the PLB trade, as well as those of other public transport trades, when pursuing any PLB-related policy. C for T then explained that TD had already issued guidelines to GMB operators concerning the working hours of GMB drivers and would continue to work with the trade to improve the working conditions as the circumstance might permit. In addition, TD would continue to work with the Labour Department, the Correctional Services Department and ethnic minority organizations to attract new recruits from different backgrounds.

60. Noting that close to 60% of GMB route packages were unable to balance their books, Mr Frankie YICK enquired about the major reasons causing the operating difficulties of the PLB trade. Mr Albert CHAN urged the Administration to conduct a review on GMB fare level as fare issues might adversely affect the sustainability of the trade. STH explained that GMB routes were granted to operators in the form of route packages so that the operation would be more financially sustainable. The Administration would discuss with the PLB trade with a view to alleviating their operating difficulties. The Administration would also address the public demand for PLB service and consider the trade's application for any fare increase in the light of public acceptability. C for T supplemented that the percentage of GMB route packages not being able to balance their books had indeed dropped from around 70% in the previous two years to 60% last year. The sum of loss that the majority of these route packages suffered was not much. The fares of GMBs were generally at a low level in the 2000s due to the then economic climate. Multiple fare increases spanning a period of time might be needed for certain routes to improve their financial situation. When considering a fare increase application proposed by a GMB operator, the Administration would strike a balance between the financial situation of the GMB operation concerned and public acceptability of the proposed increase. Views of the relevant DC(s) would be canvassed.

61. In respect of the operating difficulties of the PLB trade, Mr CHAN Han-pan opined that an increase in GMB fares would not help the situation as commuters might switch to other public transport means after the fare increase. Instead, he suggested introducing new PLB service in newly developed areas such as Tung Chung to improve the operating environment of the PLB trade. STH advised that the role of PLBs was important in terms of providing supplementary feeder service, as well as serving areas with relatively lower passenger demand or where the use of high-capacity transport modes was not suitable. C for T supplemented that new GMB routes had been introduced to serve new development areas such as Shui Chuen O. A total of 11 GMB routes in eight route packages were introduced in 2014 and 2015. Upon Mr CHAN's request, the Administration would provide information on new developments with new GMB services introduced in recent years.

Admin

*(Post-meeting note: The Chinese version of the supplementary information provided by the Administration was issued to members vide LC Paper No. CB(4)267/15-16(01) on 24 November 2015.)*

**VI. Taxi service**

- (LC Paper No. CB(4)119/15-16(08) - Administration's paper on taxi service
- LC Paper No. CB(4)119/15-16(09) - Paper on taxi service prepared by the Legislative Council Secretariat (background brief)
- LC Paper Nos. CB(4)1517/14-15(01) and CB(4)92/15-16(01) - Letter from Hon Charles Peter MOK on the Internet car calling service and hire car sharing service and Administration's response
- LC Paper No. CB(4)1451/14-15(01) - Letter from Hon Michael TIEN Puk-sun on taxi licences
- LC Paper No. CB(4)106/15-16(01) - Administration's supplementary information on taxi service in response to issues raised at the meetings on 16 June and 7 July 2015
- LC Paper No. CB(4)170/15-16(01) - Submission from 四的士商會 on premium taxi service
- LC Paper No. CB(4)178/15-16(02) - Submission from a member of the public)

62. At the invitation of the Chairman, STH briefed members on the Administration's proposals for improving taxi service. He informed members that as short-term measures, TD was assisting the taxi trade to explore how taxi service could be enhanced within the present legal and regulatory framework, including the provision of higher quality service, using the hire-as-a-whole model. In addition, the taxi trade was developing a taxi-hailing mobile application that could be used by all taxis in Hong Kong. For medium- and long-term measures, the Administration would examine and review the roles and positioning of taxi service under the Role and Positioning Review of PTSS with a key area of study on the feasibility to introduce premium taxis. In addition, the Administration would study the way to improve the assessment criteria for issuing hire car permit ("Permit") without affecting hire car's

current position in the transport hierarchy and the current regulatory regime so as to meet the demand and expectation of the public.

*(At 12:04 pm, the Chairman extended the meeting for 15 minutes to allow sufficient time for discussion.)*

General views on the proposal to introduce premium taxis

63. The Deputy Chairman and Mr WONG Kwok-hing welcomed the Administration's proposal for introducing premium taxis through granting franchise to a company instead of an individual. The Deputy Chairman appreciated that the non-transferrable franchise would not encourage speculative activities. Noting the Administration's proposal that the company with a franchise would have to maintain an employer-employee relationship with its drivers, Mr WONG and Mr POON Siu-ping requested the Administration to consult the taxi trade unions, including the Motor Transport Workers General Union Taxi Drivers Division, on the details of implementation.

64. STH assured members that the Administration would listen to the views of the members of the public as well as those of the trade unions during the course of the study on premium taxis.

65. Mr Frankie YICK expressed concern over whether the Administration had carried out any survey or study before making the proposals to improve taxi service. He said that according to the result of a survey conducted by the taxi trade, respondents only wished to have the service attitude of taxi drivers and convenience of taxi-hailing improved. Noting that the newly established Hong Kong Taxi Trade Council ("HKTTTC") had proposed a number of measures to improve the taxi service, he considered that the Administration should allow some time for HKTTTC to implement the measures before taking forward the next step. He further cast doubts on whether the right of operating premium taxi service should only be granted through a franchise. It was because there were already in place some taxi companies operating taxi fleets and were maintaining employer-employee relationship with their drivers. Those companies had also established a reward and punitive system to monitor the performance of their taxi drivers. He also expressed concern that if a franchise term would specify the company's responsibility in making proper arrangements regarding drivers' remuneration, the Administration might intervene the market operation.

66. Mr Frankie YICK further considered that it might not be appropriate to issue new taxi licences at the moment because the waiting time of taxis had



been stable in the past few years; the operating environment of the taxi trade was difficult; and the increase in the number of taxis would likely increase the traffic burden on roads.

67. STH said that the Government did not plan to follow the licensing regime of ordinary taxis but would introduce premium taxis through franchise to avoid speculative activities.

68. Pointing out that the suggestion of introducing premium taxis had been raised a decade ago, Mr Charles MOK considered that the Administration was trying to use the old strategy to solve the new problem. He opined that the current proposal of the Administration to grant franchise to a company which would have to maintain an employer-employee relationship with its drivers would lead to monopoly.

69. The Chairman pointed out that poor service of taxi drivers, refusal to hire, overcharging and outdated taxi types were the four main problems of the taxi trade. He considered the proposal of introducing premium taxis would only address the problem of outdated taxi types. As such, he hoped that the Administration would strengthen its monitoring on taxi service to tackle the other three malpractices. He indicated support for the introduction of premium taxis. In his opinion, the charges of premium taxi service should be set at a level 30% to 50% higher than that of ordinary taxis. They should only be allowed to provide pre-booked service through mobile applications. Passengers would not be required to provide information on their destinations when they made the bookings and would be charged according to the meter. The mobile application should allow passengers to review a driver's performance by providing a rate on the service provided. In addition, the colour of premium taxis should be different from that of ordinary taxis to reflect their status. In order not to aggravate the traffic congestion problem, he suggested converting part of the existing taxi licences to premium taxis.

70. STH said that the Administration's proposal to introduce premium taxis was to meet the community's demand for diversified services. In tandem, the Government would continue to work out practical measures to tackle the malpractices of taxi drivers.

71. Mr CHAN Kam-lam said that while he did not oppose the idea of introducing premium taxis and improving the existing hire car service, the Administration should consider the livelihood of existing taxi drivers and safety of passengers while implementing those proposals. He added that although the taxi trade might not agree to increase the number of taxi licences at the moment, the Administration should still consider increasing the number

of taxi licences to meet the demand of a particular district, such as the Lantau Island.

72. In reply, STH said that the Administration noted that there was unmet demand of Lantau taxi service. As reported to the Panel at its meeting in June 2015, the Government would issue new Lantau taxi licences to address the situation. The Government was actively preparing for that.

73. Mr LEUNG Kwok-hung also urged the Administration to take immediate action to increase the number of taxi licences for Lantau. Due to the high taxi licence premium, he opined that the Administration should consider introducing a car ownership scheme when it revamped the mechanism of issuing taxi licence to avoid speculative activities. The Administration should also consider buying back the existing taxi licences in the market. STH said that the Government would issue new Lantau taxi licences once the preparatory work was completed.

74. Mr POON Siu-ping asked about the Administration's initial plan on the number of premium taxi licences to be issued and the relevant fare. STH said that the Government did not have a definitive view on the number of premium taxis and its fare level. As the premium taxis was a kind of public transport, its fare level should be generally affordable and acceptable to the public. The Administration would listen to the views of the public as well as the trade once the detailed proposal was formulated.

#### Measures to improve the operating environment of taxis

75. Mr WONG Kwok-hing urged the Administration to improve the operating environment of the taxi trade by relaxing some outdated and unreasonable prohibited areas for taxis; reviewing the need for additional taxi stands in particular at public transport interchanges; and taking measures to address the problem of inadequate dedicated liquefied petroleum gas filling stations for taxis.

76. C for T advised that TD had been providing assistance to the taxi trade. There were at present 280 taxi pick up/drop off points and 470 taxi stands in Hong Kong. TD would review the need for additional provisions having regard to the district developments. She added that since 2003, TD had put in place a relaxation scheme for "peak-hour" and "7 am to 7 pm" no stopping restrictions on roads with speed limits less than 70 kilometres per hour for taxis. TD had also facilitated taxi operation at the Lok Ma Chau Spur Line Control Point.

77. Mr Frankie YICK opined that although the drop in oil price had relieved the operating cost of taxi drivers to a certain extent, the income of taxi drivers was still below the median monthly wage of the transportation section by about 15%. As a result, the trade was facing difficulties in recruiting taxi drivers. Thus, he urged the Administration to promptly process the taxi fare increase applications submitted by the taxi trade in April 2015.

Concerns on malpractices of taxi drivers

78. Mr YIU Si-wing and Mr POON Siu-ping expressed concern over the increasing number of taxi service-related complaints in recent years. Mr YIU considered that the proposals put forth by the Administration could not address the crux of the issue and urged the Administration to devise appropriate solutions. In his view, the Administration might make reference to the successful experience of the Travel Industry Council in respect of regulating the travel industry to protect outbound travellers and consider encouraging HKTTC to regulate the trade's performance. The Administration might consider cooperating with and providing administrative and financial support to the council and facilitate it to formulate measures to enhance the taxi service.

79. STH said that TD had been discussing with the taxi trade how the taxi service could be enhanced. The Administration welcomed the trade's initiative to set up HKTTC to enhance the taxi service and was willing to communicate with it. While providing financial support to the relevant council would need to be carefully consulted as it involved the use of public funds, the Administration would consider offering other kinds of appropriate assistance as needed.

80. The Deputy Chairman raised concern over the situation that many taxi drivers refused to provide service for cross-harbour journeys, in particular at night. As a short-term measure to improve the problem, he suggested the Administration to consider subsidizing taxi drivers the tolls of using cross-harbour tunnels or revising the existing fare structure, i.e. "front-loaded" and thereafter on a varying descending scale for incremental charges. He and Mr POON Siu-ping requested the Administration to provide information on the prosecution figures on the malpractices of taxi drivers in recent years, including refusal to hire and not using the most direct practicable route.

Admin

*(Post-meeting note: The Chinese version of the supplementary information provided by the Administration was issued to members vide LC Paper No. CB(4)267/15-16(01) on 24 November 2015.)*

81. STH agreed to provide the above information and explained that TD was aware of the taxi malpractices. He also advised that the Police had been enforcing the law against such malpractices. He hoped that the taxi trade would cooperate and enhance the overall taxi service quality in Hong Kong. TD would continue to closely liaise with HKTTC and provide assistance to it as necessary and appropriate.

*(At 12:29 pm, the Chairman proposed further extending the meeting for 15 minutes to 1 pm to allow sufficient time for discussion. Members raised no objection.)*

### Views on hire car service

82. Ms Claudia MO referred to the recent cases where some Uber drivers had been arrested by the Police. She criticized that the current legislation could not keep up with the development of the society and demand of the public. She also expressed disagreement that C for T had avoided unlimited issuance of Permits so as not to encourage quasi-taxi operation. It was because she did not believe that Uber service, which provided a platform for calling hire cars through the Internet and mobile applications with higher service charges, would be in direct competition with taxi service.

83. STH said that under the current legislative framework, provision of hire car service was allowed and the fare could be agreed between the parties providing and receiving the service. However, the relevant vehicle owner must obtain a valid Permit to legally provide such service. He also stressed that carrying passengers with a private car for hire or reward without Permit was an offence.

84. Mr Charles MOK considered that the Administration's plan to study the ways to improve the assessment criteria for issuing Permits and the regulation of hire car service under the current regulatory regime ("Study"), and the taxi trade's proposal to develop a taxi-hailing mobile application could not satisfy the demand of the locals and tourists. He believed that the Administration had a pre-conceived position for the Study such that any improvement on the assessment criteria for issuing Permits would not affect hire car's current position and the existing regulatory regime. He requested the Administration to consider removing the above pre-conceived position when it conducted the relevant consultation. He also considered the current vetting and approval criteria for application for a Permit were overly stringent. For example, it was unreasonable that the applicant was required to demonstrate that the service applied for was required in a particular area as a hire car was supposed to provide point-to-point service anywhere in Hong Kong. He urged the

Administration to make reference to overseas experience on issuing Permits. He also asked whether monopolization had already emerged in the market of private hire car service.

85. STH said that the Government would not revise the legislative framework to cater for a particular operator. In fact, Uber or alike did face many difficulties when obtaining Permits in overseas countries like Australia. He added that the present legislative framework allowed the use of innovative technology in the provision of taxi service. The Administration would review how the vetting and approving criteria of applications for Permits could be improved.

86. C for T supplemented that while the Administration adopted an open mind in reviewing the vetting requirements of applications for a Permit could be relaxed, the Administration should also consider the situation of road use in Hong Kong when issuing Permits.

87. The Chairman agreed that the Administration should issue some Permits to provide transport service of higher quality. He considered that hire cars should only accept pre-booking and the fares should not be regulated. Mr Frankie YICK and Mr CHAN Kam-lam considered that to avoid direct competition with taxi service, there should be some requirements as to the provision of hire car service. Mr YICK suggested that the hire car service should be operated in vehicle fleet and a minimum charge should be set.

88. STH agreed to study the above matters. He said that the Administration aimed to provide more choices for the point-to-point individual transport service to meet different demands of the public.

## **VII. Any other business**

89. There being no other business, the meeting ended at 12:58 pm.