

立法會
Legislative Council

LC Paper No. CB(4)180/18-19
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by the Administration)

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Panel on Transport

Minutes of meeting held on
Friday, 23 February 2018, at 8:30 am
in Conference Room 3 of the Legislative Council Complex

Members present : Hon Frankie YICK Chi-ming, SBS, JP (Chairman)
Hon LAM Cheuk-ting (Deputy Chairman)
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Dr Hon KWOK Ka-ki
Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, BBS, JP
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon CHU Hoi-dick
Hon HO Kai-ming
Hon Wilson OR Chong-shing, MH

Hon CHAN Chun-ying
Hon Tanya CHAN
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon Jeremy TAM Man-ho

Members absent : Hon Paul TSE Wai-chun, JP
Hon CHUNG Kwok-pan
Hon Andrew WAN Siu-kin
Dr Hon Junius HO Kwan-yiu, JP
Hon KWONG Chun-yu

Public officers attending : **Agenda item III**

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

Ms YING Fun-fong, JP
Project Manager (East)
Civil Engineering and Development Department

Mr Michael LEUNG Chung-lap
Deputy Project Manager (East)
Civil Engineering and Development Department

Mr Samson LAM Sau-sang
Assistant Commissioner for Transport/Planning
Transport Department

Mr Stephen KO Chi-wai
Chief Engineer/Major Projects (Acting)
Transport Department

Agenda item IV

Ms Mable CHAN, JP
Commissioner for Transport

Ms Macella LEE Sui-chun, JP
Deputy Commissioner for Transport/Transport
Services and Management
Transport Department

Ms Irene HO Wai-yin
Assistant Commissioner for Transport/New
Territories
Transport Department

Mr Michael LAW Hing-sun
Acting Assistant Commissioner for
Transport/Technical Services
Transport Department

Miss Crystal YIP Sin-ching
Principal Assistant Secretary for Transport and
Housing (Transport)1

Mr Tony LI Yeuk-yue
Principal Assistant Secretary for Transport and
Housing (Transport)2

Agenda item V

Dr Raymond SO, BBS, JP
Under Secretary for Transport and Housing

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

Mr Reginald CHAN
Assistant Commissioner/Administration and
Licensing
Transport Department

Mr Eric WAN
Chief Transport Officer/Driving Services
Transport Department

Clerk in attendance: Mr Lemuel WOO
Chief Council Secretary (4)6

Staff in attendance : Miss Katherine CHAN
Council Secretary (4)6

Ms Emily LIU
Legislative Assistant (4)6

Action

I. Information paper(s) issued since the last meeting

(LC Paper Nos. CB(4)515/17-18(01) - Joint letter from Hon
and CB(4)592/17-18(01) Tanya CHAN, Hon
Jeremy TAM Man-ho,
Dr Hon KWOK Ka-ki
and Hon Alvin
YEUNG requesting for
information on the
operating agreement
and the latest
operational details of
the Hong Kong section
of the
Guangzhou-Shenzhen-
Hong Kong Express
Rail Link and the
Administration's
response

LC Paper No. CB(4)568/17-18(01) - Administration's
response to the letter
from Hon Claudia MO
requesting to discuss
the progress of the
co-location
arrangement

LC Paper Nos. CB(4)611/17-18(01), - Joint letters from Hon
(02) and (03) CHAN Han-pan and
Hon CHAN Hak-kan,
and Hon Jeremy TAM
Man-ho and Hon Alvin

YEUNG, and a letter from Hon LUK Chung-hung requesting to discuss the issues relating to the traffic accident at Tai Po Road

LC Paper No. CB(4)618/17-18(01) - Joint letter from Hon Holden CHOW Ho-ding and Hon CHAN Hak-kan requesting to discuss the issues relating to the traffic congestion in Tai Po

LC Paper No. CB(4)618/17-18(02) - Letter from Dr Hon CHENG Chung-tai requesting to discuss the traffic accident on Fanling Highway)

Members noted the above papers issued since the last meeting.

2. Ms Tanya CHAN referred to the Administration's reply (LC Paper No. CB(4)592/17-18(01)) to the joint letter that she had submitted together with Mr Jeremy TAM Man-ho, Dr KWOK Ka-ki and Mr Alvin YEUNG on the operating agreement and the latest operational details of Hong Kong section ("HKS") of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") (LC Paper No. CB(4)515/17-18(01)), and expressed that it had failed to provide adequate details as requested. She said that more information, including the information and details of the XRL train schedule arrangements, the latest patronage forecast of HKS of XRL, and the financial information relating to HKS of XRL, as requested in respective tables of the joint letter, should be provided.

3. In addition, Ms Tanya CHAN also wished to know whether the Administration would follow up the matters mentioned in the said joint letter at the Panel on Transport ("the Panel"), the Subcommittee on Matters Relating to Railways or the Bills Committee on Guangzhou-Shenzhen-Hong Kong Express Rail Link (Co-location) Bill.

The Chairman responded that the Administration would be invited to provide information upon her request.

(Post-meeting note: The Administration's supplementary information paper was issued to members on 21 March 2018 via LC Paper No. CB(4)778/17-18(01).)

II. Items for discussion at the next meeting

(LC Paper No. CB(4)613/17-18(01) - List of outstanding items for discussion

LC Paper No. CB(4)613/17-18(02) - List of follow-up actions)

4. Members agreed to discuss the following items at the next regular meeting to be held on 16 March 2018:

(a) Operational arrangements for the Hong Kong-Zhuhai-Macao Bridge ("HZMB") and the Hong Kong Boundary Control Facilities;

(b) Duration of ferry service licences; and

(c) Fare increase application from Hongkong Tramways Limited.

(Post-meeting note: The agenda item on "Operational arrangements for the Hong Kong-Zhuhai-Macao Bridge and the Hong Kong Boundary Control Facilities" was replaced by "Update of Road Users' Code".)

III. 7822TH – Cross Bay Link, Tseung Kwan O — construction

(LC Paper No. CB(4)613/17-18(03) - Administration's paper on 822TH – Cross Bay Link, Tseung Kwan O — construction

LC Paper No. CB(4)613/17-18(04) - Paper on Cross Bay Link prepared by the Legislative Council Secretariat (Updated background brief)

5. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport)1 ("DS(T)1") briefed members on the Administration's funding application for upgrading 822TH "Cross Bay Link ("CBL"), Tseung Kwan O ("TKO") – Construction" ("the Project") to Category A. Members noted that the estimated cost of the Project was \$5,625.7 million in money-of-the-day prices.

6. With the aid of PowerPoint presentation, Deputy Project Manager (East) of Civil Engineering and Development Department ("CEDD") ("DPM(E)") explained to members the details of the Project (LC Paper No. CB(4)645/17-18(01)).

7. The Deputy Chairman on behalf of the Democratic Party, Mr CHAN Han-pan and Mr LAU Kwok-fan on behalf of the Democratic Alliance for the Betterment and Progress of Hong Kong, Mr Tommy CHEUNG on behalf of the Liberal Party, Mr Charles MOK, Mr POON Siu-ping, Mr YIU Si-wing and Mr Michael TIEN indicated support for the Project.

Timetable of implementation

8. The Deputy Chairman urged for early implementation of the Project and questioned why the Administration took such a long time to submit the funding proposal to the Legislative Council ("LegCo"), given that the Project had been authorized by the Chief Executive in Council as early as in 2014. He also expressed the concern that as CBL would be commissioned in 2022, that would be one year after the commissioning of TKO-Lam Tin Tunnel ("TKO-LTT") in 2021, the traffic congestion problem in TKO Town Centre would be serious during the one year's gap.

9. Dr Elizabeth QUAT said that TKO residents had longed for the completion of TKO-LTT and CBL, and the two projects were well supported by the relevant District Council. As a Member representing the New Territories East constituency, she was delighted to note that the Administration had eventually submitted the funding proposal on CBL for consideration by the Panel, but wished that it could be commissioned in tandem with TKO-LTT.

10. Ir Dr LO Wai-kwok and Mr YIU Si-wing also expressed their hope that the commissioning of CBL could dovetail with that of TKO-LTT. Ir Dr LO urged that measures should be adopted to expedite the process of constructing CBL. Mr POON Siu-ping was concerned

about how the Administration would ensure that the Project could be completed on time.

11. In response, Project Manager (East) of CEDD ("PM(E)") advised that, to expedite the construction of CBL, the Administration had simplified the design and standardized some works procedures, including the use of precast segments. She assured members that the Administration would endeavor to commission CBL the soonest possible.

12. PM(E) further explained that CBL was a marine works project which was more complicated than general road works projects and involved the construction of a marine viaduct across the Junk Bay. In addition, the adoption of a steel arch design for the marine viaduct, which aimed to allow sufficient fairway for marine transport, would be the first of its kind in Hong Kong. Therefore, more time was required for carrying out detailed site investigation and assessment on marine traffic impact for the Project.

13. Mr CHAN Han-pan and Mr LAU Kwok-fan said that CBL would address the transport demand generated from the future developments of TKO, relieve the road pressure in TKO Town Centre and shorten the travelling time of Lohas Park residents. They criticized that due to the filibustering by some LegCo Members, funding applications of many works projects could not be submitted to the Finance Committee ("FC") timely for examination.

14. Ir Dr LO Wai-kwok said that, being the Chairman of the Public Works Subcommittee ("PWSC"), he concurred with the views of Mr CHAN and Mr LAU that the progress of PWSC and FC in scrutinizing funding proposals for public works projects had been impeded. As a result, some projects submitted in the previous legislative session were only approved in the current legislative session.

15. Mr CHAN Han-pan and Mr LAU Kwok-fan asked whether the Administration was confident that the funding proposal of the Project could be submitted and approved by FC within the current legislative session. In reply, DS(T)1 and DPM(E) advised that it was the target of the Administration to seek funding support and approval from PWSC and FC respectively within the 2017-2018 legislative year, such that CEDD could commence the construction works in the second half of 2018 for completion in around 2022.

16. As requested by Mr CHAN Han-pan, the Administration agreed to provide information on the impact on schedule of implementation and estimated project cost in case that the funding proposal of the Project could not be approved by FC within the 2017-2018 legislative session.

(Post-meeting note: The supplementary information provided by the Administration was issued via LC Paper No. CB(4)1008/17-18(01) on 2 May 2018.)

Contractual arrangements

17. Noting that CBL and TKO-LTT were planned together and they would be connected to each other, Mr YIU Si-wing enquired about the reasons why the Administration did not take forward the two works projects as a single project and submit the funding proposal in one go, in order to save time.

18. PM(E) explained that it was an established practice of the Administration to split a large works project into individual projects if they were of different natures in respect of design and study. She advised that as TKO-LTT was a road works project and CBL was a marine works project, to implement them as two separate projects would encourage the participation of contractors specializing in respective works so as to maintain appropriate competition in the construction industry.

19. PM(E) further advised that there would be an interchange at the connection point of CBL and TKO-LTT, which was also connected to Po Shun Road in TKO West. The Administration considered it an appropriate point for segregating the two projects. Furthermore, since TKO Tunnel was very congested at present, there was a pressing need to commission TKO-LTT earlier.

Construction costs

20. The Deputy Chairman queried whether the substantial increase in the estimated project cost (i.e. from \$2.2 billion in 2008 to \$5.6 billion at present) was caused by the delay in submitting funding proposal of the Project for approval by LegCo. In reply, PM(E) explained that the cost estimate for the construction of CBL reported in 2008 was a very rough estimate, whereas the current cost estimate of \$5.6 billion had taken into account the detailed design of the Project and costs of similar projects.

21. PM(E) elaborated that after conducting the preliminary design of CBL, the Administration had carried out several rounds of public engagement exercises for the design proposals. Based on the result of the public engagement, the most preferred design concept for the appearance of the marine viaduct of CBL was adopted for further technical analysis and detailed design. She added that since there was no similar marine works project carried out in Hong Kong in recent years, CEDD had made reference to comparable projects for cost projection of the marine section of CBL.

22. Mr Michael TIEN said that he considered it more appropriate for the Administration to first conduct the tender exercise and tender assessment before seeking funding approval from FC, so as to avoid future variation of the approved project estimate ("APE").

23. DS(T)1 advised that normally, funding approval from LegCo should be obtained prior to commencing tender exercise for the works projects. As for the Project, in order to start the construction works as soon as possible to meet the programme, CEDD had initiated parallel tendering for one of the works contracts in December 2017 and would initiate parallel tendering for another contract in the second quarter of 2018. She stressed that the construction contracts would only be awarded after obtaining funding approval from FC.

24. PM(E) supplemented that since the arch steel bridge design adopted for CBL was the first of its kind in Hong Kong, the Administration had allowed more time for tenderers to submit tenders. Subject to the progress of tender assessment, the Administration might review the estimated project cost having regard to the price of the recommended tender before seeking funding approval from FC.

25. Mr Michael TIEN further asked whether the site investigation work for the marine section of CBL had been thoroughly conducted to avoid the need to increase APE owing to unforeseen ground conditions found during the works in progress. He also asked about how the standard of site investigation work adopted for the Project compared with that of the HZMB project.

26. In reply, PM(E) said that the Administration had conducted a very detailed site investigation for the Project, obtaining site information from at least one drill hole for each of the 12 bridge piers. She added that the Administration had not compared the site investigation work with that of

the HZMB project as different locations had different geographical conditions.

Design and facilities

27. Dr Elizabeth QUAT was concerned about the design capacity of CBL as it might not be able to meet the actual demand upon its commissioning owing to the lengthy time taken to implement the Project. She asked whether the Administration would, before commencing the construction of CBL, review afresh the design capacity based on the latest projection of population in TKO.

28. In reply, PM(E) and Assistant Commissioner for Transport/Planning ("AC for T/P") advised that the traffic impact assessment completed in 2015 for the Project was conducted according to the 2011-based Territorial Population and Employment Data Matrix ("TPEDM"). The Administration noted from the 2014-based TPEDM that there was a slight decrease in the projected population and employment in TKO. Therefore, the Administration considered that the capacity of a dual two-lane carriageway of CBL, together with TKO-LTT and TKO Tunnel would be sufficient to meet the traffic demand of TKO residents.

29. Ir Dr LO Wai-kwok appreciated the design of CBL which would have a footpath and a cycle track alongside the carriageway. He said that this would not only facilitate residents but also provide a good sight-seeing spot in TKO. Ir Dr LO asked whether a viewing platform would be built along CBL to allow enjoyment or sight-seeing by pedestrians and cyclists. PM(E) replied that three sight-seeing spots would be provided along CBL, which would be accessible by pedestrians and cyclists.

30. Mr LAU Kwok-fan also appreciated that a cycle track would be provided along CBL, which showed that the Administration had moved a step ahead to promote bicycle as a mode of commuting under the bicycle-friendly environment. He urged the Administration to provide such facilities when planning new roads in the future. The Administration noted his view.

31. Mr Charles MOK recalled that several years ago, the telecommunications industry had requested for installing communication facilities along the bridge of CBL to facilitate the development of data centres in TKO. The request was initially turned down but, upon

making further requests by the industry and him, he was pleased to note that the Administration had acceded to the request at last.

32. Mr Charles MOK said that when planning and constructing new road infrastructures in the future, the Administration should adopt a comprehensive approach and coordinate with other government departments to maximize their functions and cater to other needs. He also reminded that when carrying out the marine works of the Project, care should be taken to avoid damaging the existing communication facilities. The Administration noted his views.

Traffic impacts on East Kowloon and Eastern Harbour Crossing upon the commissioning of Cross Bay Link

33. Mr POON Siu-ping, Mr Tommy CHEUNG and Mr LEUNG Che-cheung expressed concerns that the commissioning of CBL would generate additional traffic to East Kowloon and the Eastern Harbour Crossing ("EHC") and aggravate the traffic congestion problems there.

34. In response, PM(E) and AC for T/P advised that according to the Administration's estimation, the commissioning of CBL would only cause slight increase to the traffic in East Kowloon and EHC. They further explained that CBL was to provide an alternative external road connection to and from the south-eastern part of TKO without travelling through the TKO town centre, hence facilitating the traffic flow in TKO. PM(E) added that together with TKO-LTT, CBL would also relieve the traffic congestion problem at TKO Tunnel.

35. As regards the measures to ease the traffic pressure in East Kowloon, DS(T)1, AC for T/P and PM(E) advised that several transport infrastructures had been under construction or planning. They included a slip road of TKO-LTT connecting to EHC without routing through Lam Tin; CBL and TKO-LTT, together with the Central Kowloon Route and Trunk Road T2 which would provide an express route linking East and West Kowloon; and the Shatin to Central Link which would also help ease the road traffic upon commissioning.

36. AC for T/P supplemented that the Administration was also conducting a study on rationalizing the traffic distribution among the three road harbour crossings and three land tunnels, and would report the result to the Panel later. The Administration hoped that the above measures would provide a comprehensive improvement to the traffic conditions in Kowloon.

Environmental implications

37. Mr Charles MOK said that there had been a lot of complaints from TKO residents in the vicinity of Wan Po Road regarding the environmental nuisance caused by trucks. He was concerned whether the problem would be shifted to other areas in TKO after the commissioning of CBL and TKO-LTT. Mr MOK asked about the estimated traffic which would be diverted from Wan Po Road to CBL. In reply, PM(E) said that the Administration anticipated that the environmental nuisance caused by trucks on Wan Po Road would unlikely be shifted to CBL.

38. Mr Tommy CHEUNG noted that the Administration would dispose of 7 000 tonnes of non-inert construction waste at landfills under the Project. He asked whether the Administration would coordinate among the relevant government bureaux such as the Development Bureau with a view to reusing all construction waste in other works projects to avoid wastage.

39. DPM(E) advised that under the contract, the contractor in the construction of CBL was required to avoid and reduce the generation of inert construction wastes, and to reuse and recycle such waste as far as possible. Only when the inert construction wastes were surplus to the Project would they be disposed of at public fill reception facilities.

40. PM(E) added that the Administration would uphold the principle of reusing construction waste as far as practicable. She informed members that there was a designated unit in CEDD to coordinate the management of construction waste within the Government, taking into account the schedule of works projects, and the amount of construction waste to be generated and reused.

41. Noting that the Project would require the transplantation of some trees, Mr POON Siu-ping asked about the details of the planting proposal for the Project. PM(E) advised that the Administration had carried out a detailed survey on the trees affected by the Project and found that it would require the removal of 445 trees, but no precious or rare species was involved. She added that the Administration would compensate for the loss by new plantings as part of the Project to maintain the city's environment.

Conclusion

42. After discussion, the Chairman concluded that the Panel supported the Administration's submission of the funding proposal of the Project to PWSC and FC for further consideration. He also urged the Administration to submit the funding proposal of the Project and that of Tai Po Road Project to PWSC and FC as soon as possible.

IV. Proposed creation of one permanent Principal Transport Officer post in Management and Paratransit Branch, one permanent Principal Transport Officer post in New Territories Regional Office and one permanent Chief Engineer post in Technical Services Branch of the Transport Department

(LC Paper No. CB(4)613/17-18(05) - Administration's paper on proposed creation of two permanent Principal Transport Officer posts and one permanent Chief Engineer post in the Transport Department)

43. At the invitation of the Chairman, Commissioner for Transport ("C for T") briefed members on the Administration's proposal to create three permanent directorate posts in the Transport Department ("TD"), namely:

- (a) one permanent Principal Transport Officer ("PTO") (D1) post in the Management and Paratransit Branch ("MPB") to strengthen its manpower support in the planning, development, regulation, monitoring and upgrading of the existing ferry and paratransit services;
- (b) one permanent PTO (D1) post in the New Territories Regional Office ("NTRO") to strengthen its work in monitoring public transport services and planning new services so that public transport services could meet the needs of members of the public in a more effective and efficient manner; and

- (c) one permanent Chief Engineer (D1) post in the Technical Services Branch ("TSB") to strengthen its function in formulating a Smart Mobility development strategy and to steer the efforts to take forward various Smart Mobility projects.

Declaration of interests

44. The Chairman reminded members that, in accordance with Rule 83A of the Rules of Procedure of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subject under discussion at the meeting before they spoke on the subject. Mr YIU Si-wing declared that the company which he worked in had been operating cross-boundary coach services and local non-franchised bus services.

Proposed creation of one permanent Principal Transport Officer post in the Management and Paratransit Branch

45. Mr LAU Kwok-fan said that, while it was the Administration's policy to adopt railway as the backbone of the public transport system, the supplementary role of other public transport services should also be enhanced. He therefore supported the proposed PTO post in the Ferry and Paratransit Division under MPB ("FPD") ("PTO/MPB") to assist in formulating and reviewing the policies relating to the development of taxi services, ferry services and public light bus services.

46. Mr Tommy CHEUNG noted that the major work of FPD as set out in paragraphs 6 to 9 of LC Paper No. CB(4)613/17-18(05) was temporary and short-term in nature. He enquired whether it would be more appropriate to create a time-limited rather than permanent PTO/MPB post.

47. In response to Mr Tommy CHEUNG's view, C for T said that PTO/MPB would oversee the mid-term review for the current three-year licence period (i.e. 2017-2020) of the six major outlying island ferry routes ("the Mid-term Review") as well as the future reviews. Subject to the outcome of the Mid-term Review, PTO/MPB would assist in formulating the details for implementing the long-term operation model to be adopted for maintaining the financial viability of the outlying island ferry services. She further said that PTO/MPB would also provide steer in monitoring the implementation of the Public Transport Fare Subsidy Scheme ("PTFSS") and enforcing the relevant monitoring measures to

ensure smooth operation of PTFSS and proper use of public funds. After listening to C for T's explanation, Mr Tommy CHEUNG indicated that on behalf of the Liberal Party, he was supportive of creating a permanent PTO/MPB post.

Ferry services

48. Mr YIU Si-wing said that ferry services had all along provided essential links to the outlying island and an alternative choice for passengers who travelled to/from other areas and across the harbour. He enquired whether PTO/MPB would proactively and comprehensively review the demand for ferry services on a regular basis, and make recommendations accordingly. In reply, C for T pointed out that one of PTO/MPB's major responsibilities was to oversee the Mid-term Review which would take into account, amongst other things, the transport demand of outlying island residents. She added that PTO/MPB would also maintain close liaison with licensed ferry operators on measures to meet the demand for ferry services during public holidays.

49. In response to Ms Claudia MO's enquiry, C for T explained to members the details of the Mid-term Review. She said that the Mid-term Review would be conducted in the first half of 2019 and overseen by the proposed PTO/MPB to consider the long-term operation model for maintaining the financial viability of the six major outlying island ferry routes, and whether and how the Special Helping Measures for the six major outlying island ferry routes should be extended to cover the remaining eight outlying island ferry routes. C for T said that the Administration would report the outcome of the Mid-term Review to the Panel in due course.

50. Dr CHENG Chung-tai enquired whether the proposed PTO/MPB would liaise with relevant stakeholders to review the current ferry services, in particular the services for Discovery Bay and Ma Wan. He also asked whether PTO/MPB would oversee the progress of improving the existing ferry piers as the Administration had informed members earlier of its plan to carry out renovation projects to modernize the exterior design and facilities of those ferry piers.

51. In reply to Dr CHENG Chung-tai, C for T advised that PTO/MPB would provide steer to the Ferry Section under FPD in the regulation and monitoring of the operation of franchised and licensed ferry services and give guidance to keep track of the performance of the ferry service operators.

Taxi services

52. Mr LUK Chung-hung said that in order to upgrade the existing paratransit services, the manpower support for such services should be strengthened. Mr LUK relayed the views of the Hong Kong Federation of Trade Unions' affiliated unions that an employer-employee relationship between franchised taxi operators and their drivers would help protect the job security for drivers. He urged that, before introducing the franchised taxi service, PTO/MPB should communicate more with the taxi trade to promote employer-employee relationship as an essential prerequisite for maintaining the service quality of the franchised taxi drivers.

53. Deputy Commissioner for Transport/Transport Services and Management replied that the Administration considered it more desirable for franchised taxi operators and drivers to maintain an employer-employee relationship. To this end, if applicants for franchised taxis proposed to maintain an employer-employee relationship with their drivers, their application would be accorded with a higher score in the tender assessment. Further, TD would continue to canvass public views on the introduction of franchised taxis.

Public Transport Fare Subsidy Scheme

54. Mr POON Siu-ping enquired about the manpower resources required for implementing PTFSS. He also expressed concerns about the impact on the schedule of implementation of PTFSS in case the proposed PTO/MPB was not approved by FC within the 2017-2018 legislative session.

55. C for T responded that in February 2018, FC had approved the creation of 15 non-directorate civil service posts for implementing PTFSS. Incumbents of these posts would help ensure that PTFSS could be rolled out and operated smoothly; process the applications for joining PTFSS submitted by residents' service, employees' service, red minibus and *Kaito* operators; and implement the monitoring measures. She further said that with the above posts, it was expected that PTFSS would be implemented within a year. However, in order that FPD could handle the new policy initiative efficiently, there was a genuine need for the PTO/MPB post to oversee the planning and implementation of PTFSS and review its effectiveness.

Proposed creation of one permanent Principal Transport Officer post in the New Territories Regional Office

Transport facilities and services of boundary control points

56. Mr LAU Kwok-fan expressed dissatisfaction that the Boundary Section under NTRO had not consulted or discussed with the relevant stakeholders, such as District Councils, when planning and implementing the transport facilities and services at boundary control points. He said that members of the public had complained that the pick-up/drop-off points of cross-boundary coaches had caused nuisances to residents, but their locations were decided by NTRO without any local consultation. In this regard, Mr LAU urged that the proposed permanent PTO post in NTRO ("PTO/NTRO") to take various parties' views into account before formulating any implementation proposal.

57. In reply, Assistant Commissioner for Transport/New Territories advised that PTO/NTRO would devise strategy on district-level consultation and guidance on complex and sensitive issues. With the proposed PTO/NTRO post, matters relating to the public transport services in the New Territories could be better handled. C for T supplemented that it was essential to create the PTO/NTRO post to oversee the Boundary Section and district transport matters in Tuen Mun, Yuen Long and the Islands district and, in this regard, to keep close liaison and communication with different stakeholders in future.

58. In view of the coming commissioning of new boundary control points in succession (including HZMB and Liantang/Heung Yuen Wai Boundary Control Point), Mr YIU Si-wing asked whether the proposed PTO/NTRO would be responsible for planning and monitoring the local and cross-boundary transport services for existing and new boundary control points, in particular during the festive holidays. C for T replied in the positive and said that, with the proposed PTO/NTRO, the transport service arrangements for local areas and boundary control points would be better coordinated.

Monitoring, coordination and enhancement of public transport services and residents' services

59. Mr LUK Chung-hung expressed dissatisfaction about the benchmark for increasing the frequency of bus services as set out in TD's "Guidelines on Service Improvement and Reduction in Bus Route Programme". He pointed out that, under the Guidelines, frequency

would need to be improved only if the occupancy rate of the route reached 100% during the busiest half-hour of the peak period; 85% during that one hour or reached 60% during the busiest one hour of the off-peak period, which was unreasonably high. Mr LUK suggested that the proposed PTO/NTRO should maintain close liaison with various stakeholders, such as local community and public transport operators, and adjust bus service frequencies as and when necessary to meet residents' needs. He added that where appropriate, more residents' services to facilitate commuters to connect to the nearby railway stations or public transport interchanges should be allowed.

60. In reply, C for T explained that the new PTO/NTRO post would coordinate and monitor the non-franchised bus services in the New Territories. She said that while some requests had been received for introducing the residents' services from the new residential developments in the New Territories in recent years, TD had to strike a proper balance in meeting the needs for residents' services and regular public transport services.

61. Referring to a serious traffic accident that occurred earlier at the bus stop at the toll plaza of Tai Lam Tunnel, Dr CHENG Chung-tai expressed that the proposed PTO/NTRO should review the safety issues involved in waiting for buses at the interchange at Tai Lam Tunnel and other bus interchanges in New Territories. In reply, C for T said that PTO/NTRO would oversee matters relating to the public transport services and the provision of transport facilities, including safety issues at bus interchanges. In addition, the new PTO would also share the work of the incumbent PTO so as to better monitor, coordinate, and enhance the public transport services in the New Territories.

Proposed creation of one permanent Chief Engineer post in the Technical Services Branch

62. Mr Charles MOK noted that the proposed Chief Engineer post in TSB ("CE/TSB") would oversee the feasibility study on the installation of in-vehicle units ("IVUs"), which could be used to collect traffic data, and formulate publicity and installation plans for the use of IVUs. Mr MOK suggested that, to meet public aspirations, CE/TSB should also assist in opening up traffic data and studying the roles that personal mobility devices (such as electric scooters) could play within the transport system of Hong Kong.

63. C for T replied that the proposed CE/TSB would assist in encouraging public transport operators to positively respond to the overall policy on opening up data by making their real-time data available on "data.gov.hk" in machine-readable format as far as practicable. As regards the issues relating to personal mobility devices, TD would study the feasibility of their use in Hong Kong as appropriate.

64. Noting that there were other chief engineers in TSB, Mr Charles MOK enquired about the justification for creating an additional CE/TSB post. In reply, C for T advised that the planning, design and implementation of Smart Mobility initiatives were long-term and complicated which would involve traffic engineering and transport operations, and these initiatives should be implemented as soon as possible as they were closely related to people's daily life. As the three incumbent permanent chief engineers under TSB had been fully occupied with their respective duties, there was a pressing need to create the proposed CE/TSB post so that the related tasks could be overseen by an officer well versed in traffic engineering, transport management and relevant legislation.

Conclusion

65. After discussion, the Chairman concluded that the Panel supported the proposed creation of the PTO/MPB, PTO/NTRO and CE/TSB posts and the Administration's submission of the staffing proposal to the Establishment Committee for consideration and to FC for approval.

V. Biennial review on the need to issue new private driving instructors' licences

(LC Paper No. CB(4)613/17-18(06) - Administration's paper on private driving instructors' licences

LC Paper No. CB(4)613/17-18(07) - Paper on private driving instructors' licences prepared by the Legislative Council Secretariat (updated background brief))

66. At the invitation of the Chairman, Under Secretary for Transport and Housing ("USTH") briefed members on the outcome of the latest

biennial review conducted by TD in end-2016 ("the 2016 Review") on the need to issue new private driving instructors ("PDIs")' licences for the three groups of PDIs, namely:

- Group 1: Private cars and light goods vehicles ("Group 1 vehicles");
- Group 2: Light buses and buses ("Group 2 vehicles"); and
- Group 3: Medium goods vehicles, heavy goods vehicles and articulated vehicles ("Group 3 vehicles").

67. USTH explained that TD agreed with the driving instructor trade in 1999 that the number of valid PDIs' licences prevailing then for the three groups of PDIs would be used as benchmarks for future reviews. C for T would consider issuing new PDIs' licences for a particular group when the number of valid licences in that group fell below the respective benchmark by 10%.

Outcome of the biennial review

68. USTH informed members that, as revealed in the 2016 Review, the average number of PDIs' licences of Group 1 at end-2016 was above 90% of its benchmark, hence the need for consideration of issuing new PDIs' licences was not triggered. As for Group 2 and Group 3, the number of valid PDIs' licences had dropped by 12.3% and 10% respectively as compared with their respective benchmarks. They had each slightly exceeded or just reached the triggering point of 10%. However, C for T decided not to issue any new PDIs' licence having regard to the prevailing traffic conditions, the policy adopted for driver training, and the demand of learner drivers to receive driving instructions from PDIs.

69. Noting that no new PDIs' licence would be issued in the light of the findings of the 2016 Review, Ms Claudia MO enquired whether it was the Administration's intention to discourage learner drivers from receiving driving instructions from PDIs so as to curb the growth of private car fleet. She also asked about the views which the driving instructor trade had expressed on the outcome of the 2016 Review.

70. In response, Assistant Commissioner/Administration and Licensing of TD ("AC/A&L") advised that at a special meeting of the PDI Liaison Group held on 22 January 2018, TD had informed the

12 PDI associations of the outcome of the 2016 Review. The two associations representing the restricted driving instructors ("RDIs") also attended the meeting. The PDI and RDI associations generally accepted the outcome of the 2016 Review as assessed under the prevailing review mechanism, which had been in use since 1999. In response to the views of driving instructor trade, TD would conduct a review on the benchmarks and triggering point for issuing new PDIs' licences under the three groups of vehicle classes.

Driver training service

71. Dr KWOK Ka-ki noted that there was criticism that many holders of PDIs' licences were not providing driver training services in the market, resulting in reduced choices of instructors for learner drivers. On the other hand, due to busy road traffic condition in Hong Kong, learner drivers had expressed difficulties in finding suitable time and place for driver training. In view of the learner drivers' views, Dr KWOK urged the Administration to increase the supply of driving instructors and make appropriate road sections available for driver training.

72. USTH explained that the Administration had been closely monitoring public demand for driver training services, and had also taken the sustainability of driving instructor trade, as well as traffic management problems into account. He said that the Administration had adopted a "two-pronged" approach to meet the demand for driver training services given the traffic condition in Hong Kong. Besides maintaining a sufficient supply of PDIs for on-street driver training provided that such training activities would not aggravate traffic congestion or cause any road safety concern, the Administration also promoted off-street driver training through the establishment of designated driving schools ("DDSs") to alleviate congestion on public roads. USTH said that the Administration would continue to take heed of the views of driving instructor trade and members of the public.

Driver training policy

"Inactive" private driving instructors

73. Mr Kenneth LAU enquired about the number of PDIs who did not provide driver training service after obtaining their licences ("inactive" PDIs), and expressed concern that they might lead to an inadequate supply of PDIs in the market. Mr LAU added that the problem was

aggravated by the Administration's decision of not issuing new PDIs' licence after the 2016 Review so that persons aspiring to be PDIs could not join the trade.

74. In reply, AC/A&L said that in the 2016 Review, TD had made a rough estimate on the availability of "active" PDIs of Group 1 vehicles in the market based on the number of PDIs who had brought learner drivers to attend driving tests in 2016. Out of the 939 licensed PDIs in Group 1, 742 instructors (i.e. 79%) had offered driver training service. For PDIs in Group 2 and Group 3, about 70% of them had not provided driver training service in the market. AC/A&L said that there was, however, no clear and widely accepted definition for determining whether a PDI was "active" or "inactive".

75. Mr Kenneth LAU urged the Administration to review the existing driver training policy to see whether PDIs should be required to provide a minimum level of driver training service and to return their licences if they did not engage in active teaching. Dr Elizabeth QUAT concurred with Mr LAU's views and said that she had also received complaints about the "inactive" PDIs from members of the public. She said that the Administration should keep the statistics on the number of in-service PDIs.

76. In response to members' views, USTH explained that whether or not a PDI provided training depended on a host of factors. There was no legal requirement or licensing condition requiring PDIs to provide a minimum level of driver training service. He also advised that the issuing mechanism of new PDIs' licences was reviewed in 2013. As there was no consensus among the stakeholders on whether and how the existing issuing mechanism for issuing PDIs' licences should be changed after extensive consultation at that time, the Administration decided to continue with prevailing mechanism to issue new PDIs' licences.

77. Dr Elizabeth QUAT indicated that she had also received other complaints from members of the public regarding driver training such as expensive driving course fees, substantial variation in the quality of driver training services provided by driving instructors, and the additional traffic volume caused by on-street driver training. She suggested that, apart from biennially reviewing the need to issue new PDIs' licences, the Administration should conduct a comprehensive review of the driver training policy.

78. Upon Dr Elizabeth QUAT's request, USTH agreed to provide supplementary information on whether it would conduct a comprehensive review on the driver training policy, including improvement in the teaching quality of PDIs.

(Post-meeting note: The English version and Chinese version of the supplementary information provided by the Administration was issued via LC Paper No. CB(4)1256/17-18(01) on 15 and 21 June 2018 respectively.)

79. Mr CHAN Chun-ying pointed out that the number of test forms sold to on-street learner drivers vis-à-vis the average number of valid PDIs' licences might not truly reflect the demand of learner drivers to receive driving instructions from PDIs. As example, Mr CHAN pointed out that learner drivers taught by RDIs of DDSs might receive further driver training from PDIs after passing the tests. Since such PDIs' identities would not be recorded in the students' test forms, they might be regarded as "inactive" and hence the actual driving training demand might be underestimated.

80. In response, USTH and AC/A&L said that the number of test forms sold to on-street learner drivers was in general a useful indicator of driver training demand as each learner driver was required to buy a test form for each driving test attempt. TD had also examined the "PDI licence to test form ratio" which reflected the average number of driving tests handled by a PDI. It was found that there was a growing trend in the driver training demand for Group 1 vehicles in the past years while the demand for driver training in Group 2 and Group 3 vehicles had been declining.

Grouping of private driving instructors

81. Dr Elizabeth QUAT said that as PDIs of Group 2 and Group 3 vehicles should be capable of providing driving instruction for Group 1 vehicles, it was unreasonable that they were prohibited to do so. In view of the growing demand for driver training for Group 1 vehicles, she suggested that the three existing PDI groups should be merged into one to increase the supply of PDIs of Group 1 vehicles.

82. Mr CHAN Han-pan also called on the Administration to relax the restriction imposed on the existing issuing mechanism. He said that the teaching skills and experience possessed by of PDIs of Group 2 and Group 3 vehicles should help improve the overall teaching quality of

PDI's if they were allowed to provide driving instruction for Group 1 vehicles. In addition, it would benefit the PDI's of Group 2 and Group 3 vehicles in view of the declining demand for driver training in buses and heavy goods vehicles which might adversely affect their livelihood.

83. Ms Claudia MO also asked whether the Administration would consider allowing PDI's of Group 2 and Group 3 vehicles to teach learner drivers of Group 1 vehicles in view of the lower market demand for driver training of Group 2 and Group 3 vehicles.

84. In response to members' views, USTH advised that the existing grouping of PDI's had been drawn up after careful consideration of the driver training skills for each group of vehicles, and each group of vehicles had certain distinct features: Group 1 vehicles were small vehicles for training of beginners, Group 2 vehicles were vehicles for the carriage of a substantial number of passengers, and Group 3 vehicles were vehicles for the carriage of goods.

85. USTH further explained the procedure for issuing PDI's licences. He said that pursuant to the Road Traffic (Driving Licences) Regulations (Cap. 374B), if new PDI's licences were to be issued, C for T should invite the public to apply for them. If the total number of applications received exceeded the number of new PDI's licences proposed to be issued, TD would draw lots to determine the order in which the applications were to be dealt with. Eligible applicants would be invited to take the driving instructor's test conducted by TD according to their orders as determined by lot. USTH stressed that C for T had no power to issue new PDI's licence direct, or give any priority, to any individuals or particular groups of individuals. Therefore, if PDI's of Group 2 vehicles or Group 3 vehicles would like to provide driving instruction for Group 1 vehicles, they had to make an application as stipulated in Cap. 374B.

Private driving instructors' licences and restricted driving instructors' licences

86. Mr CHAN Chun-ying enquired whether DDSs were able to recruit holders of PDI's licences as driving instructors under the current driver training policy. He also expressed concern about the total number of RDI's licences issued by TD to the driver instructors employed by DDSs. In reply, AC/A&L explained that DDSs might recruit PDI's licensees or RDI's licensees as driving instructors. About 500 RDI's licences had

been issued by TD to the driver instructors employed by DDSs and there was no restriction on the number of RDIs' licensees.

87. Ms Claudia MO enquired whether the Administration would improve its policy on driver training, in view of some RDIs' grievances that the current RDIs' licence issuing mechanism was more favourable to DDS operators as RDIs were not allowed to provide driving instruction after leaving DDSs.

88. AC/A&L advised that under the existing mechanism, RDIs' licensees were only permitted to provide driver training services at DDSs by which they were employed, and the validity of their licenses would cease once they left respective DDSs.

89. USTH supplemented the Administration had been adopting a "two-pronged approach" for driver training to be provided by PDIs and DDSs as there was a need to strike an appropriate balance between on-street and off-street driver training. Otherwise, too much on-street driver training activities might aggravate the traffic situation or cause road safety concerns.

Enhancement of remuneration package for restricted driving instructors

90. Mr LUK Chung-hung pointed out that some RDIs employed by DDSs were badly remunerated who were only paid at an hourly rate of about \$100, while DDSs charged a learner driver the course fee of around \$500 to \$600 per lesson. He also noted that as RDIs could only give driving instruction in DDS which employed them, they were not as competitive as PDIs in the market. As such, he urged that the Administration should consider measures to enhance RDIs' remuneration package to safeguard their livelihood. In reply, USTH said that the Administration was also very concerned about the remuneration package for RDIs and would continue to liaise with DDSs about that.

91. The Chairman remarked that according to his understanding, the average monthly salary for RDIs was not less than \$27,000 and RDIs were also entitled to fringe benefits. Therefore, the remuneration package for RDIs and that for PDIs should be more or less the same.

VI. Any other business

92. There being no other business, the meeting ended at 10:52 am.

Council Business Division 4
Legislative Council Secretariat
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