

立法會 *Legislative Council*

LC Paper No. CB(1)1456/02-03
(These minutes have been seen
by the Administration)

Ref : CB1/PL/TP/1

Panel on Transport

**Minutes of meeting held on
Friday, 21 March 2003, at 10:45 am
in Conference Room A of the Legislative Council Building**

Members present : Hon Miriam LAU Kin-yee, JP (Chairman)
Dr Hon David CHU Yu-lin, JP
Hon Albert HO Chun-yan
Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP
Hon CHAN Kwok-keung
Hon LAU Kong-wah
Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP
Dr Hon TANG Siu-tong, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Albert CHAN Wai-yip
Hon WONG Sing-chi
Hon LAU Ping-cheung

Members absent : Hon Abraham SHEK Lai-him, JP (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, JP
Hon Andrew WONG Wang-fat, JP
Hon LAU Chin-shek, JP
Hon LEUNG Fu-wah, MH, JP

**Public Officers
attending** : **Agenda Item IV**

Environment, Transport and Works Bureau

Mr Arthur HO
Deputy Secretary for the Environment, Transport and Works (T)2

Action

Mr Patrick HO
Principal Assistant Secretary for the Environment, Transport
and Works (T)1

Transport Department

Ms Carolina YIP
Assistant Commissioner for Transport/Bus & Railway

Agenda Item V

Environment, Transport and Works Bureau

Miss Margaret FONG
Deputy Secretary for the Environment, Transport and Works (T)3

Mrs Sharon YIP
Principal Assistant Secretary for the Environment, Transport
and Works (T)2

Transport Department

Mr Thomas THUMB
Deputy Commissioner for Transport/Planning and Technical
Services

Mr Alex YEUNG
Assistant Commissioner for Transport/Technical Services

**Attendance by
invitation**

: Agenda item IV

Kowloon Motor Bus Company (1933) Limited

Mr LUI Po-chiu
Operations Director

Mr Mark LEUNG
Head of Planning & Development Department

Long Win Bus Company Limited

Mr Kenrick FOK
General Manager

Action

Citybus Limited

Mr William CHUNG
Assistant General Manager (Operations)

New World First Bus Services Limited

Ms Eppie TAM
Assistant General Manager (Corporate Communication)

Mr CHEUNG Yui-chiu
Senior Planning Manager

New Lantao Bus Company (1973) Limited

Mr Peter MOK
Director

Mr WONG Wah
Administration Manager

Clerk in attendance : Mr Andy LAU
Chief Assistant Secretary (1)2

Staff in attendance : Ms Alice AU
Senior Assistant Secretary (1)5

Miss Winnie CHENG
Legislative Assistant 5

Action

I Confirmation of minutes and matters arising

- (LC Paper No. CB(1)1131/02-03 - Minutes of joint meeting held with the Environmental Affairs Panel on 23 January 2003;
- LC Paper No. CB(1)1137/02-03 - Minutes of joint meeting held with the Environmental Affairs Panel on 6 February 2003; and
- LC Paper No. CB(1)1167/02-03 - Minutes of joint meeting held with Environmental Affairs Panel on 24 February 2003)

The minutes of joint meetings held with the Environmental Affairs Panel on 23 January, 6 February and 24 February 2003 were confirmed.

Action

II Information papers issued since last meeting

- (LC Paper No. CB(1)1121/02-03 - Referral from Legislative Council Members' meeting with Sai Kung District Council on 23 January 2003 regarding the construction of Western Coast Road; and
- LC Paper No. CB(1)1177/02-03(01) - "Findings of an opinion survey on public transport costs of residents in Tuen Mun/Yuen Long/Tin Shui Wai" provided by the Caritas Hong Kong Community Development Service)

2. Members noted the above information papers issued since last meeting.
3. Members also noted that the referral from Sai Kung District Council on "Western Coast Road" had already been included in the Panel's list of outstanding items for discussion.

III Items for discussion at the next meeting scheduled for 25 April 2003

- (LC Paper No. CB(1)1132/02-03(01) - List of outstanding items for discussion; and
- LC Paper No. CB(1)1132/02-03(02) - List of follow-up actions)

4. After deliberation, members agreed to discuss the following items proposed by the Administration at the next meeting scheduled for 25 April 2003:
- (a) Operation of tunnels and tollways - overseas and Mainland experience; and
 - (b) Taxi drivers entry qualifications and pre-service training programme.
5. Members also agreed that the following items would be discussed at the Panel's regular meeting to be held on 23 May 2003:
- (a) Policy on non-franchised bus services; and
 - (b) Transport arrangements at Lo Wu Control Point.
6. At Mr LAU Kong-wah's suggestion, members agreed to include the item on "Review on fare scales of franchised bus companies" in the Panel's list of outstanding items for discussion.

Action

IV Progress update on bus-bus interchange scheme

(LC Paper No. CB(1)1132/02-03(03) - Information paper provided by the Administration)

7. The Deputy Secretary for the Environment, Transport and Works (T)2 (DS for ETW(T)2) introduced the Administration's paper on the progress on implementation of bus-bus interchange (BBI) schemes (LC Paper No. CB(1)1132/02-03(03)).

Extending the scope of BBI schemes

8. Mr LAU Kong-wah opined that the scope of BBI schemes, including those implemented by the same operator or different operators, should be extended to cover all bus routes in the territory so that the travelling public could be provided with a wider choice of services at concessionary fares. After all, the introduction of BBI schemes would have a positive impact on the patronage as well as the revenue of the bus companies. In this connection, he sought information about the progress of relevant discussions between the Administration and franchised bus operators, as well as the timetable for introducing BBI schemes for all bus routes.

9. Mr TAM Yiu-chung also said that in order to enhance their competitiveness in the public transport market, franchised bus operators should work in co-operative spirit so that more joint-operator BBI schemes could be introduced to attract patronage.

10. Dr TANG Siu-tong considered that more BBI schemes should be introduced to facilitate the passengers, and asked whether any standards for BBI discounts were adopted by franchised operators when considering the introduction of BBI schemes. Citing the unsatisfactory condition at the Tai Lam Tunnel Toll Plaza, he called on the Administration to improve the facilities for waiting passengers at interchange locations. Noting the member's concern, the Assistant Commissioner for Transport/Bus & Railway (AC for T/BR) said that the Transport Department (TD) would closely liaise with the concerned bus operators. Where necessary, TD would initiate modification work at bus bays and improve the queuing spaces for passengers at major BBI locations. She also undertook to follow up on the situation at Tai Lam Tunnel Toll Plaza.

11. In response, Mr LUI Po-chiu, Operations Director of Kowloon Motor Bus Company (1933) Limited (OD/KMB), said that currently, 56 BBI schemes covering 261 routes were implemented by KMB. Every month, about 30 000 passengers benefited from such schemes and the total amount of fare concessions amounted to \$200 million annually. When selecting bus routes for new BBI schemes, the company would take into account a number of factors including operational factors such as capacity of the routes concerned, physical location of the interchange and availability of alternative direct services. Moreover, a formula would be used to calculate the financial implications from the schemes. He assured members that KMB would continue to work with the Government and other transport operators in the development of joint-operator as well as inter-modal co-operative arrangements.

Action

12. Mr Mark LEUNG, Head of Planning & Development Department of KMB, supplemented that on-going discussions were held with the two railway corporations. In particular, KMB and the Kowloon-Canton Railway Corporation (KCRC) were actively finalizing the details of bus-rail interchange schemes to tie in with the impending commission of West Rail. However, he pointed out that the implementation of BBI schemes had not resulted in incremental patronage for KMB. The bus industry was facing increasing challenge from the expansion of railway network in Hong Kong. In 2002, KMB's annual passenger journeys had decreased by 100 000 because of the opening of Tseung Kwan O Line.

13. Mr Kenrick FOK, General Manager of Long Win Bus Company Limited (LW), advised members that out of the three BBI schemes implemented by LW, two were provided with other operators. With the number of interchanging passengers amounting to 20 000 per month, fare concessions in the region of \$300 000 were offered annually. He stressed that while LW would continue to explore the feasibility of introducing further concessionary schemes so as to provide more convenience to the passengers, it would have to consider the impact of such schemes on the company's financial position.

14. Mr William CHUNG, Assistant General Manager (Operations) of Citybus Limited (AGM/CTB), stated that a total of 19 BBI schemes involving 68 routes were being implemented by CTB. The introduction of new BBI schemes would be considered in a positive light as such schemes could improve CTB's competitiveness by enhancing the efficient use of bus resources and improving network coverage. Another important consideration was the benefits to be provided to the passengers. Regarding joint-operator BBI schemes, AGM/CTB reported that relevant discussions were being held. However, as each operator had its own fare structure, complicated issues were involved, particularly in respect of the sharing of fare discounts.

15. Ms Eppie TAM, Assistant General Manager (Corporate Communication) of New World First Bus Services Limited (NWFB), stated that 23 BBI schemes were implemented by NWFB covering half of its routes. While acknowledging the benefits of BBI schemes for both the passengers and the environment, she called on members' understanding that as a relatively new operator still at its investment stage, NWFB would also need to consider the financial implication of such schemes. The company would actively pursue the feasibility of offering inter-modal as well as joint-operator discount schemes with other operators where possible.

16. Mr Peter MOK, Director of New Lantau Bus Company (1973) Limited (NLB), advised that out of the 23 routes operated by NLB, BBI schemes were implemented for 4 routes serving 15 000 interchanging passengers per month. Apart from joint-operator BBI schemes offered in collaboration with LW and CTB, NLB implemented a bus-rail interchange scheme with MTR Corporation Limited at Tung Chung Station. Discussions were also being held on the introduction of a bus-ferry interchange scheme at Mui Wo ferry pier.

17. Mr WONG Sing-chi was strongly of the view that if certain bus routes were diverted off busy Central Business Districts as a result of rationalization schemes, the

Action

Administration must ensure that fare concessions were offered to the interchanging passengers so that they would not have to pay extra fare for the same destination. The Chairman also remarked that as a principle, bus route rationalization should not create additional financial burden on the interchanging passengers.

18. In reply, AC for T/BR said that under the circumstances, the Administration would encourage the franchised bus operators concerned to offer fare concessions to the passengers so that they could travel to the original destination without additional fare. The Administration would consult the relevant District Councils on details of proposed bus route rationalization programme. Due regard would be given to the need for safeguarding the overall interest of the public.

19. Referring to the multiplicity of public transport modes and operators in Hong Kong, Mr Albert CHAN pointed out that there was a frequent need for the travelling public to interchange between services provided by different operators. The extra boarding charges incurred had created a great financial burden on the passengers. To address the problem, fare concessions must be given to the interchanging passengers. Calling on the Administration to adopt a more proactive approach in this matter, he suggested that the exemption currently granted to franchised bus operators from first registration tax and fuel duty should be conditional upon their efforts in introducing new BBI schemes. In the longer term, the Administration should negotiate new franchise terms with the bus companies in relation to the implementation of BBI schemes in the context of franchise renewal.

20. Mr CHENG Kar-foo said that the Administration would need to adopt new measures to ensure that greater effort was made by franchised bus operators in introducing more BBI schemes. The Administration should take this factor into account when considering applications from bus companies to operate new route packages. He also called on the bus companies to consider introducing weekly or monthly pass to the passengers so that they could interchange freely on routes within the same district.

21. In response, DS for ETW(T)2 stressed that the Government fully appreciated the concerns expressed by members about the introduction of more BBI schemes to enable passengers to enjoy efficient service at lower fares. Citing the positive response from the bus companies in recent years, he assured members that the Administration would continue to encourage franchised bus operators to introduce more BBI schemes and other fare concessions to the passengers, taking into account their own operating conditions.

22. DS for ETW(T)2 further said that in the long term, BBI schemes would bring about a win-win situation for passengers, the community and franchised bus operators. The Administration would also explore other possible inter-modal schemes that would be extended to different modes of transport. This would improve network coverage, maximize utilization of resources and minimize road congestion in busy corridors.

23. While assuring members that KMB would adopt an open attitude when considering the kind of fare concessions that could be offered, OD/KMB stated that the

Action

company's operating costs including fuel, insurance and staff costs had been increasing. But KMB fares had been frozen in the past four years.

24. Unconvinced by KMB's reply, Mr CHENG Kar-foo opined that given the huge profits recorded by KMB, the company should be in a position to offer more concessions to the passengers. Moreover, he said that according to KMB's annual reports, fuel costs only accounted for about 10% of the company's operating costs in 2002 while the same was 20% in 1992. As the representatives of KMB did not have the said information at hand, the Chairman said that KMB could respond to Mr CHENG Kar-foo's latter point in writing after the meeting.

25. Mr LAU Kong-wah asked whether the franchised bus operators would consider offering frequent traveller bonus scheme, similar to those being offered by the two railway corporations, to the passengers. In reply, representatives of KMB, LW, CTB and NWFB stated that as fare concessions would be provided to the passengers through BBI schemes, they had no plans to introduce frequent traveller bonus scheme.

Incorrect deduction of Octopus BBI fares

26. Mr TAM Yiu-chung relayed the complaints from passengers that incorrect fares were deducted from their Octopus cards when new BBI schemes were introduced initially. He enquired about the seriousness of the problem as well as the remedial measures to be taken by franchised bus operators.

27. Mr WONG Sing-chi considered that it was incumbent upon the franchised bus operators that no passengers were overcharged as a result of their staff's negligence. The Administration should also ensure that the interest of the passengers was properly safeguarded. Hence, greater effort should be made by the Government and the bus operators to provide additional means to the passengers for checking the fare deducted from their Octopus cards, say through the Internet. Concurring with the importance of ensuring fairness to the passengers, the Chairman suggested that Octopus enquiry readers could be made available to bus passengers.

28. In response, OD/KMB reported that complaints of this nature had been received. After investigation, it was found that the problem was caused inadvertently by drivers who had forgotten to set the correct fare to be charged. Upon receipt of such complaints, KMB would refund the overcharged amount to the concerned passengers. AGM/CTB also said that the problem might more easily arise if sectional fares were charged. In order to address the problem, CTB had reminded all drivers to check the fare carefully. To facilitate understanding, members requested the Administration to provide a paper on the problem of incorrect deduction of Octopus BBI fares to the Panel for information after the meeting.

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V Progress update on intelligent transport system

(LC Paper No. CB(1)1132/02-03(04) - Information paper provided by the Administration)

29. Members noted the progress of the development and implementation of Intelligent Transport Systems (ITS) in Hong Kong since May 2002. Details were set out in the paper provided by the Administration vide LC Paper No. CB(1)1132/02-03(04).

Transport Information System (TIS)

30. The Chairman enquired about the functionality of Public Transport Information Service (PTIS) under the TIS. In reply, the Assistant Commissioner for Transport/Technical Services (AC for T/TS) explained that the PTIS would be a free service on the Internet providing transport and traffic information to the public transport users and motorists for pre-trip planning. Upon completion of the first phase of PTIS, the public could get access to transport information on buses and railways such as service schedules, locations of stops and routing details by clicking their set off points and destinations on a digitized map. Such service would be further furnished and enhanced in the second phase to allow the public to search for their optimum routes based on least distance, least cost or least interchange.

31. In response to Mr CHAN Kwok-keung, AC for T/TS said that the first phase of PTIS would be ready for operation in early 2004 while the final phase of PTIS would be completed within six months following the commissioning of the first phase.

Traffic Management Framework

32. Mr CHENG Kar-foo enquired about the progress and overall completion date of the new Traffic Management Framework. In reply, the Deputy Secretary for the Environment, Transport and Works (T)³ advised that the Traffic Management Framework would be largely completed upon the commissioning of the Traffic Control Centre in 2004. The Centre would serve as the central control centre for the existing and future Area Traffic Control (ATC) and Closed Circuit Television (CCTV) systems in the New Territories, the Journey Time Indication System, and the Traffic Control & Surveillance facilities on strategic roads. It would also serve as the Emergency Transport Co-ordination Centre.

33. Mr CHAN Kwok-keung sought information about the tender assessment criteria adopted by the Administration for the project to renew the ATC and CCTV systems on the Hong Kong Island. AC for T/TS replied that as the project involved specialized technical requirements, a formula approach involving technical score as well as financial assessment would be applied.

Action

VI Any other business

34. There being no other business, the meeting ended at 12:10 pm.

Council Business Division 1
Legislative Council Secretariat
17 April 2003