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30 June 2005

The Hon Lau Kong-wah, JP
Chairman
Subcommittee to Study Tate's Cairn Tunnel Ordinance
(Replacement of Schedule) Notice 2005 and
Tai Lam Tunnel and Yuen Long Approach Road Ordinance
(Replacement of Schedule 1) Notice 2005
Legislative Council
Jackson Road
Hong Kong

Dear .

Attendance of Subcommittee Meeting

I refer to the fax memo from the Clerk to the Subcommittee dated 29 June 2005 relaying your invitation to me concerning the attendance of a Subcommittee meeting before mid July to discuss the recent toll increases for the Tate's Cairn Tunnel and Tai Lam Tunnel.

We have actually discussed the need of my attendance before. At that time, you appeared to agree that my personal attendance before the Subcommittee would not be essential because the handling of the toll increases for the two tunnels in question were clearly specified under their respective ordinances and the Administration could only act in accordance with the provisions under the law. Although some Members of the Legislative Council might not be pleased with the way they could be involved in the whole process, the Administration has duly followed the

legal procedure. As the principal official responsible for transport policy matters, I will always be ready to accept an invitation to discuss transport policy with our legislators. However, we both agreed that for the current toll increase exercises involving existing contracts, both the Administration and the Legislative Council have no power to effect any change despite the negative sentiment over the issue.

I understand that my colleagues from the Transport Branch of the Bureau had subsequently attended a Subcommittee meeting and answered all the major questions raised by Members of the Subcommittee. As such, there should not be any outstanding issues directly relating to the toll increase exercises. As regards your latest invitation to attend the Subcommittee meeting before mid July, I should be grateful if you would let me know the specific policy issues that the Subcommittee would like to discuss. Pending your advice, I will then decide on the most appropriate person to attend the meeting.

Yours sincerely,

original signed

(Sarah Liao) Secretary for the Environment, Transport and Works