

**立法會**  
**Legislative Council**

LC Paper No. CB(1)1916/07-08  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/EDEV/1

**Panel on Economic Development**

**Minutes of meeting**  
**held on Monday, 28 April 2008, at 10:45 am**  
**in Conference Room A of the Legislative Council Building**

- Members present** : Hon Jeffrey LAM Kin-fung, SBS, JP (Chairman)  
Hon Abraham SHEK Lai-him, SBS, JP (Deputy Chairman)  
Hon James TIEN Pei-chun, GBS, JP  
Dr Hon David LI Kwok-po, GBM, GBS, JP  
Hon Fred LI Wah-ming, JP  
Dr Hon LUI Ming-wah, SBS, JP  
Hon CHAN Kam-lam, SBS, JP  
Hon SIN Chung-kai, SBS, JP  
Hon Howard YOUNG, SBS, JP  
Hon Miriam LAU Kin-yee, GBS, JP  
Hon Albert CHAN Wai-yip  
Hon Vincent FANG Kang, JP  
Hon Andrew LEUNG Kwan-yuen, SBS, JP  
Hon WONG Ting-kwong, BBS  
Hon Ronny TONG Ka-wah, SC  
Hon CHIM Pui-chung  
Hon TAM Heung-man
- Members absent** : Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Hon LAU Chin-shek, JP  
Hon KWONG Chi-kin
- Public officers attending** : Agenda Item IV  
Miss Janice TSE, JP  
Deputy Secretary for Transport and Housing  
(Transport)

Miss Winky SO  
Principal Assistant Secretary for Transport and Housing  
(Transport)

Mr Y K LEE  
Assistant Director of Marine (Planning and Services)

**Clerk in attendance :** Ms Connie SZETO  
Chief Council Secretary (1)6

**Staff in attendance :** Ms Debbie YAU  
Senior Council Secretary (1)1

Ms Michelle NIEN  
Legislative Assistant (1)9

---

Action

**I Confirmation of minutes and matters arising**  
(LC Paper No. CB(1)1268/07-08 - Minutes of meeting held on  
25 February 2008)

The minutes of the meeting held on 25 February 2008 were confirmed.

**II Information papers issued since last meeting**  
(LC Paper No. CB(1)1280/07-08(01) - Letter dated 14 April 2008 from  
Concern Group of Travel  
Industry in Hong Kong to the  
Secretary for Commerce and  
Economic Development on the  
liquidation of Oasis Hong Kong  
Airlines (Chinese version only)  
(Restricted to Members))

2. Members noted the above information paper issued since the last regular meeting.

**III Items for discussion at the next meeting**  
(LC Paper No. CB(1)1326/07-08(01) - List of outstanding items for  
discussion

LC Paper No. CB(1)1326/07-08(02) - List of follow-up actions)

Item on the detailed proposals of the new Competition Law

3. Members noted that the Administration proposed to brief the Panel on the detailed proposals of the new competition law at the next meeting to be held on 26 May 2008, at 10:45 am. The Chairman explained that the item was originally scheduled for discussion at this meeting and was subsequently removed from the agenda as the Administration had not yet finalized the proposals.

4. Mr Fred LI noted from media reports that the Chief Executive-in-Council had approved launching of a public consultation on the detailed proposals of the competition law. He suggested that the Panel should hold a special meeting to receive a briefing from the Administration if the public consultation document would be released in a few days. He also opined that the Administration should brief the Panel before announcing the details to the public.

5. Mr Abraham SHEK agreed that the Panel should hold a special meeting to discuss the matter. Members concurred. Mr James TIEN noted that as the item on the competition law had been removed from the agenda, only one discussion item was left for this meeting. He opined that the Administration should inform members earlier about the timing for releasing the consultation document, so that members could consider whether the Panel should defer this meeting to tie in with the Administration's briefing. This could obviate the need for the Panel to convene a special meeting.

6. The Chairman said that he would discuss the matter with the Secretary for Commerce and Economic Development.

Items for discussion at the next regular meeting

7. Expressing concern about the recent incident of cessation of air services by Oasis Hong Kong Airlines, Mr Ronny TONG suggested the Panel to discuss about the development and operation of low-cost carriers in Hong Kong, in particular the arrangements for and handling of situations by the Administration and the Airport Authority upon cessation of air services. Mr Abraham SHEK agreed to the suggestion and remarked that given the very high prices of air tickets purchased in Hong Kong, the Panel should also examine whether this indicated a lack of competition and the presence of monopoly in the aviation service market. To facilitate discussion on the item, Mr SHEK requested the Secretariat to prepare an information note comparing the air ticket prices in Hong Kong with those in other major aviation centres.

8. Ms Miriam LAU expressed concern about the Administration's strategies and measures in developing tourism at outlying islands. She recalled that the Administration had put forward initiatives to promote heritage and green tourism at outlying islands and undertaken to study the matter and work out proposals a few years ago. Ms LAU considered that in addition to promoting the local economy of the islands, new tourism initiatives could also help boost the patronage to ferry services and sustain the business of ferry operators. As a result, residents on the

islands would be benefited in terms of development in the local economy and lowering of ferry fares. She suggested inviting the Administration to brief members on the progress and future plans in developing tourism at outlying islands at the next regular meeting.

9. After discussion, members agreed to place the following discussion items on the agenda of the next regular meeting:

- (a) Development and operation of low-cost-carriers in Hong Kong; and
- (b) Tourism development at the outlying islands.

Members also agreed that if the item on briefing on the detailed proposals of the new competition law was to be included in the agenda, the duration for the regular meeting would be extended.

*(Post-meeting note: A special meeting was held on 6 May 2008 for the Panel to receive a briefing on the detailed proposals of the new competition law.)*

#### **IV Proposal to establish a Vessel Height Restricted Area in the vicinity of the Stonecutters Bridge**

(LC Paper No. CB(1)1326/07-08(03) - Administration's paper on proposal to establish a Vessel Height Restricted Area in the vicinity of the Stonecutters Bridge)

#### Briefing by the Administration

10. At the invitation of the Chairman, the Deputy Secretary for Transport and Housing (Transport) (DS/TH(T)) briefed members on the Administration's proposal to establish a vessel height restricted area in the vicinity of the Stonecutters Bridge (the Bridge) and sought members' support for the making of two relevant amendment regulations (the amendment regulations) namely, the Shipping and Port Control (Amendment) Regulation 2008 and the Merchant Shipping (Local Vessels) (General) (Amendment) Regulation 2008. She said that the Bridge, which was scheduled for commission in mid-2009, was a major section of the Route 8 spanning across the entrance of the Kwai Tsing Container Port between Tsing Yi Island and Stonecutters Island. The Administration proposed to establish a vessel height restricted area of 41.9 hectare in the vicinity of the Bridge to prevent potential damage to the Bridge and ensure safe navigation of vessels within the vessel height restricted area. The amendment regulations would provide that except with the permission of the Director of Marine, no vessel with a height exceeding 68.5 metres (m) should enter the proposed vessel height restricted area set out in Annex A of the Administration's paper. DS/TH(T) further advised that the Port Operations Committee (POC), the Local Vessels Advisory Committee

(LVAC), the Modern Terminals Ltd (MT) (the operator of the berth located within the proposed vessel height restricted area) had been consulted on the proposal which had indicated their support. The Administration planned to table the amendment regulations at the Legislative Council in June 2008.

Discussion

*Air-draft limit for vessels in the vessel height restricted area*

11. Mr CHAN Kam-lam supported the amendment regulations. Pointing out that vessels with a height of 68.5 m were usually large ocean-going container vessels, he asked how the Administration would publicize the new regulations internationally. DS/TH(T) said that upon enactment of the new regulations, the Marine Department (MD) would issue Marine Department Notices to draw attention of all port users, including the shipping communities, of the latest air-draft restriction for vessels. She further advised that the vessel height restriction of 68.5 m, which represented the maximum air-draft allowance for the Bridge, had been set having regard to the current sizes of container vessels (with a maximum height of 64.5 m) and the size of the next generation of mega vessels to be constructed. It was noted that the size of new container vessels was expected to grow horizontally in order to meet the air-draft allowance for bridges in different ports of the world. Moreover, the height restriction had been calculated taking into account the tidal ranges and wave conditions on vessel height.

12. Ms Miriam LAU was concerned about the vessel height limits set for other bridges in Hong Kong waters. She also pointed out that the air-draft of loaded and unloaded vessels were different. DS/TH(T) advised that the statutory vessel height limits for the Tsing Yi Bridge and Tsing Ma Bridge was 17 m and 53 m respectively, which were set with reference to the air-draft of vessels using the area. The Assistant Director of Marine (Planning and Services) (AD of M (P&S)) confirmed that the air-draft of loaded vessels was normally lower than when they were unloaded.

13. Mr SIN Chung-kai noted that before the commissioning of the new cruise terminal at Kai Tak, mega cruise vessels, such as Queen Mary, would need to berth at the Kwai Chung Container Terminal (KCCT). He asked whether the Administration had taken into account the air-draft of mega cruise vessels when setting the vessel height restriction for the Bridge. AD of M (P&S) advised that the air-draft of Queen Mary was 62 m which should provide sufficient clearance for it to navigate under the Bridge at anytime when entering or leaving the KCCT Basin.

14. Mr Albert CHAN expressed concern on the operation of the barges in the vicinity of bridges in Hong Kong waters which had caused marine accidents and damages to some bridges. He called on the Administration to step up efforts in monitoring the operation of barges to enhance protection for bridges. On the concern about the lifting gears on barges exceeding the air-draft allowance for bridges, AD of M (P&S) advised that in general, the height of the A-frame on the

barges would not exceed 17 m. However, barges with derrick would exceed 17m when the derricks were hoisted. In these cases, the barges were required to lower the derricks when passing under the bridges.

15. Mr Vincent FANG noted that the amendment regulations would give the Director of Marine discretion to permit vessels with an air-draft exceeding 68.5 m to enter the proposed vessel height restricted area. He enquired about the permissible air-draft limit for these vessels. The Chairman was also concerned that stormy weather, masts and cranes on board ocean-going container vessels might pose problems for vessels when passing under the Bridge.

16. AD of M (P&S) said that the distance between the Bridge and the sea surface was 73.5 m. The maximum air-draft allowance of 68.5 m for the Bridge had been worked out based on a 100-year tidal level and taking account of wave motion and safety margin allowances. In fact, the waters within the port of Hong Kong was relatively calm even under stormy weather as compared with other ports. The Director of Marine would allow vessels with air-draft slightly above 68.5 m, such as 69.5 m or 70 m, to enter the proposed vessel height restricted area during low tide or after the vessel had taken in ballast to lower the air-draft. DS/TH(T) added that some cranes on board newly-designed ocean-going vessels were retractable and therefore, should not pose problem when passing under the Bridge.

17. Mr CHAN Kam-lam enquired about the penalty for breaching the vessel height restriction limit. The Chairman also asked whether the vessel operators would be required to make compensation for damaging the bridges in Hong Kong waters. DS/TH(T) responded that it would be an offence for over-height vessels entering the restricted areas. If convicted, the vessel operators would be subject to a maximum penalty of a fine of \$10,000 and six-month imprisonment. The Administration could also demand the vessel operator concerned to make compensation for any damages done to the bridges. As regards the concern about the low level of penalty for the offence, DS/TH(T) said that the penalty had been an effective safeguard against non-compliance of vessel operators. Nonetheless, the Administration would take note of members' views and conduct regular review on the penalty level.

#### *Vessel traffic control within Hong Kong waters*

18. Noting that there had been incidents where bridges were damaged by vessels, Mr CHAN Kam-lam expressed concern about whether an effective monitoring mechanism had been put in place to prevent vessels exceeding the prescribed height limit from entering the proposed restricted area. DS/TH(T) said that MD maintained surveillance over Hong Kong navigable waters to monitor and regulate vessel movements. Moreover, all vessels over 3 000 gross registered tons were required to have a pilot on board when navigating in the port. She said that the pilotage services in Hong Kong were on par with international professional standards. Before an apprentice pilot could apply for a pilot's licence, he/she had to acquire relevant experience in the berthing and unberthing of large container ships. AD of M (P&S) added that to ensure safety in the port, large vessels would

be guided by tugs when entering Hong Kong waters.

19. Ms Miriam LAU was concerned that vessels not aware of the height restriction requirement could cause accident and damage the Bridge. AD of M (P&S) said that vessels arriving at the port were required to provide a Pre-Arrival Notification (PAN) to MD not less than 24 hours prior to entering into Hong Kong waters. He explained that with shore-based radars and a computerized radar surveillance system, MD's Vessel Traffic Centre could closely monitor the marine traffic situations in different areas of the port. Vessels entering Hong Kong waters without a PAN would be detected by the radar surveillance system and intercepted by MD's patrol vessels. Moreover, to cater for the busy marine traffic in the vicinity of KCCT, MD had established the Kwai Chung Traffic Control Station (KCTCS) to monitor and regulate the traffic movements in the area. AD of M (P&S) said that so far no vessels had ever arrived without a PAN. The Administration considered that the existing measures were adequate to ensure safe navigation of vessels within the proposed vessel height restricted area.

20. Mr Vincent FANG expressed concern about the impact of the proposal on the speed limit for vessels travelling in the KCCT Basin. AD of M (P&S) advised that as KCCT Basin area was not open waters, vessels navigating in the vicinity had to proceed at a slow speed. He added that MD had been stepping up patrol in the port and incidents of vessel over-speeding were seldom found.

21. Mr WONG Ting-kwong expressed support for the Administration's proposal. He expressed concern about measures put in place to prevent vessels from colliding into bridges during inclement weather. AD of M (P&S) said that under bad weather conditions, MD would take action in accordance with the established vessel traffic management procedures. It would alert vessels staying in Hong Kong waters to take precautionary actions, including observing regulations for preventing collisions at sea, and observing the fairway rules and lighting/sounding the appropriate signals.

22. Mr Albert CHAN enquired whether facilities employing the latest technologies could be installed on the major bridges to alert approaching vessels from colliding into the bridges. DS/TH(T) said that the Administration was not aware of similar systems used in other ports. Nevertheless, MD would continue to apply the latest technologies in monitoring marine traffic to ensure port safety. Dr LUI Ming-wah considered that the Administration should look into Mr CHAN's suggestion. He believed that relevant notification systems could be developed by local universities/technical institutions with the latest technologies.

23. Noting that conduits were embedded along some bridges for running public utility cables, the Chairman was concerned whether the vessel height restrictions for the bridges would need to be adjusted when repair and maintenance works for the cables were carried out. DS/TH(T) responded that submarine cables were usually used for delivering public utility services. Nevertheless, when repair and maintenance works for the bridges or in the nearby areas were carried out, MD would issue notices specifying the maximum clearance under the bridges. For

example, during the 16-month span connection works for the Bridge, MD had issued notice to caution vessels navigating in the works area that the maximum clearance under the Bridge would be for vessels with an air-draft of 63m.

*Consultation*

24. Ms Miriam LAU considered that besides those parties which had been consulted by the Administration, Hong Kong Liner Shipping Association and potential operators of the berth located within the proposed vessel height restricted area should also be consulted. DS/TH(T) explained that Hong Kong Container Terminal Operators' Association, Hong Kong Liner Shipping Association were members of POC which had been consulted. As MT was the operator having one berth located within the proposed vessel height restricted area, the Administration had conducted separate consultation with the company. The Administration would continue to engage POC and LVAC for views on the operation of the vessel height restricted areas in Hong Kong waters.

Conclusion

25. The Chairman concluded that the Panel in general supported the proposal to establish a vessel height restricted area in the vicinity of the Bridge.

**V Any other business**

26. There being no other business, the meeting ended at 11:45 am.