

立法會

Legislative Council

LC Paper No. CB(1)2541/08-09
(These minutes have been seen
by the Administration)

Ref : CB1/PL/TP/1

Panel on Transport

Minutes of meeting held on Friday, 24 April 2009, at 8:30 am in the Chamber of the Legislative Council Building

- Members present** : Hon CHEUNG Hok-ming, SBS, JP (Chairman)
Hon Andrew CHENG Kar-foo (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon LAU Kong-wah, JP
Hon Miriam LAU Kin-ye, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Albert CHAN Wai-yip
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon LEUNG Kwok-hung
Hon Ronny TONG Ka-wah, SC
Hon KAM Nai-wai, MH
Hon WONG Sing-chi
Hon IP Wai-ming, MH
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
- Members absent** : Hon LI Fung-ying, BBS, JP
Hon Jeffrey LAM Kin-fung, SBS, JP
- Public officers attending** : **Agenda item IV**
Ms Eva CHENG
Secretary for Transport and Housing

Mr Philip YUNG
Deputy Secretary for Transport and
Housing (Transport) 1

Mr WAI Chi-sing
Director of Highways

Mr CHENG Ting-ning
Project Manager/Hong Kong-Zhuhai-Macao Bridge
Hong Kong
Highways Department

Agenda item V

Mr YAU Shing-mu
Under Secretary for Transport and Housing

Mr Philip YUNG
Deputy Secretary for Transport and
Housing (Transport) 1

Mr CHOW Ying-shun
Project Manager/Major Works
Highways Department

Mr WONG Chung-kwong
Chief Engineer/Major Works
Highways Department

Mr LEE Yan-ming
Chief Traffic Engineer/New Territories West
Transport Department

Mr Maurice YEUNG Kwok-leung
Principal Environmental Protection Officer
(Assessment & Noise)
Environmental Protection Department

Agenda item VI

Mr YAU Shing-mu
Under Secretary for Transport and Housing

Mrs Hedy CHU
Principal Assistant Secretary for Transport and
Housing (Transport) 4

Mr K M WOO
Assistant Director/Railways
Electrical and Mechanical Services Department

Mr Albert YUEN
Assistant Commissioner/Bus & Railway
Transport Department

Miss Alice AU YEUNG
Principal Transport Officer/Bus & Railway 2
Transport Department

Agenda item VII

Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Miss Shirley YUEN
Deputy Secretary for Transport and Housing
(Transport) 2

Mr FUNG Hing-wang
Commissioner for Census and Statistics

Mr Dominic LEUNG
Deputy Commissioner for Census and Statistics

Mr Alvin LI
Assistant Commissioner for Census and Statistics

**Attendance by
invitation**

: Agenda item VI

MTR Corporation Limited

Mr Henry LAM
General Manager – Kowloon Southern Link/Tseung
Kwan O South

Mr Wilfred LAU
Head of Operations

Mr CHOI Tak-tsan
Acting Head of Operations

Ms Maggie SO
Senior Manager – Projects and Property
Communications

Clerk in attendance : Ms Joanne MAK
Chief Council Secretary (1)2

Staff in attendance : Ms Sarah YUEN
Senior Council Secretary (1)6

Miss Winnie CHENG
Legislative Assistant (1)5

Action

- I Confirmation of minutes**
(LC Paper No. CB(1)1362/08-09 - Minutes of the meeting held
on 23 January 2009
LC Paper No. CB(1)1351/08-09 - Minutes of the meeting held
on 27 February 2009)

The minutes of the meetings held on 23 January 2009 and 27 February 2009 respectively were confirmed.

- II Information papers issued since last meeting**
(LC Paper No. CB(1)1186/08-09(01) - Submission on drink driving
from a member of the public
LC Paper No. CB(1)1229/08-09(01) - Submission on measures to
facilitate the use of electric
cars from a member of the
public
LC Paper No. CB(1)1229/08-09(02) - Submission on traffic
accidents and transport fares
from members of the public
LC Paper No. CB(1)1229/08-09(03) Submission on fare
concessions for the elderly
offered by MTR Corporation
Limited from a member of the
public
LC Paper No. CB(1)1325/08-09(01) - Submission complaining

- about the service of bus route 40P from a member of the public
- LC Paper No. CB(1)1325/08-09(02) - Further submission on fare concessions for the elderly offered by MTR Corporation Limited from a member of the public
- LC Paper No. CB(1)1323/08-09(01) - Administration's paper on 157TB – Centre Street escalator link (stage 1)
- LC Paper No. CB(1)1328/08-09(01) - Administration's paper on replacement of facilities in Lion Rock Tunnel
- LC Paper No. CB(1)1328/08-09(02) - Administration's paper on specialized vehicles in the Tsing Ma Control Area
- LC Paper No. CB(1)1332/08-09(01) - Referral from Complaints Division on issues relating to implementation of Guangzhou-Shenzhen-Hong Kong Express Rail Link (Hong Kong Section)
- LC Paper No. CB(1)1333/08-09(01) - Administration's paper on Private Driving Instructor's Licences
- LC Paper No. CB(1)1363/08-09(01) - Letter from Concern Group of Choi Yuen Tsuen in Shek Kong on the Selection of Site for the Guangzhou - Shenzhen - Hong Kong Express Rail Link
- LC Paper No. CB(1)1380/08-09(01) - Further letter from Concern Group of Choi Yuen Tsuen in Shek Kong on the Selection of Site for the Guangzhou - Shenzhen - Hong Kong Express Rail Link)

2. Members noted the above papers issued since the last meeting.

3. Regarding the above two letters from the Concern Group of Choi Yuen Tsuen in Shek Kong on the Selection of Site for the Guangzhou - Shenzhen - Hong Kong Express Rail Link (LC Papers Nos. CB(1)1363/08-09(01) and CB(1)1380/08-09(01)), members agreed that the

concerns raised should be followed up at a special meeting of the Subcommittee on Matters Relating to Railways scheduled for 14 May 2009.

III Items for discussion at the next meeting scheduled for 22 May 2009

(LC Paper No. CB(1)1337/08-09(01) - List of outstanding items for discussion

LC Paper No. CB(1)1337/08-09(02) - List of follow-up actions)

4. Members agreed to discuss the following items at the next regular meeting on Friday, 22 May 2009, at 8:30 am –

- (a) Regulation of charging taxi fares according to meters;
- (b) Changes made by MTR Corporation Limited (MTRCL) to staff welfare;
- (c) Private driving instructors' licences; and
- (d) Establishment of an assessment system for provision of hillside escalator links and elevator systems.

(Post-meeting note: Members subsequently agreed to invite deputations to give views on item (d) above.)

5. In view of the numerous items required to be discussed at the next meeting, members decided to extend the meeting to end at 12:15 pm.

6. Members further agreed to request the Administration to co-ordinate a written confirmation with MTRCL on whether MTRCL had plans to increase fares after 30 June 2009 and to continue the provision of the East Rail and West Rail Lines Monthly Pass. Upon provision of the above requisite information, members would consider the need to hold a special meeting for discussion of relevant issues.

IV Hong Kong - Zhuhai - Macao Bridge

(LC Paper No. CB(1)1337/08-09(03) - Administration's paper on Hong Kong - Zhuhai - Macao Bridge

LC Paper No. CB(1)831/08-09 - Extract from minutes of meeting on 19 December 2008

LC Paper No. CB(1)407/08-09 - Updated background brief prepared by the Legislative Council Secretariat)

7. Members noted the submission from the Tung Chung Sustainable Development Alliance on the Hong Kong – Zhuhai – Macao Bridge (HZMB) tabled at the meeting.

(Post-meeting note: The above submission was issued to members vide LC Paper No. CB(1)1429/08-09(01) by e-mail on 27 April 2009.)

8. The Secretary for Transport and Housing (STH) briefed members on the following funding applications to be made to the Public Works Subcommittee (PWSC) and the Finance Committee (FC) -

(a) The funding support for the detailed design and construction of the HZMB Main Bridge; and

(b) The detailed design and site investigation for the Hong Kong Boundary Crossing Facilities (HKBCF).

9. With the aid of a power-point presentation, the Project Manager/HZMB Hong Kong, Highways Department (PM/HZMB) briefed members on HZMB's progress.

(Post-meeting note: The presentation material was issued to members by e-mail on 27 April 2009.)

Benefits to be brought by HZMB vis-à-vis its costs

10. Mr WONG Kwok-hing indicated support for the above funding applications and called for early implementation of the relevant projects. In view of the high unemployment rate in Tung Chung and its proximity to HZMB, he suggested that the residents there be given priority for taking up the relevant jobs. STH responded that the Administration had compressed the implementation timetable of relevant projects whenever feasible. The Administration would encourage the contractors concerned to consider local residents for employment. Mr WONG further suggested that priority should also be given to residents of Tuen Mun and Tin Shui Wai, which were close to the Tuen Mun Western Bypass (TMWB).

11. Mr Albert CHAN expressed dissatisfaction with the financing arrangement for the HZMB Main Bridge project, which according to him would unfairly result in Hong Kong bearing a large share of the construction cost. He enquired whether the percentage of local companies and labourers who would benefit from the project would be determined according to the above split of cost. In response, STH made the following points –

(a) The split of the construction cost had been objectively determined

on the basis of the assessment of direct economic benefits and the cost allocation among the governments of Hong Kong, Guangdong and Macao for the implementation of the HZMB Main Bridge conducted by China Highway Planning and Design Institute, and according to the principle of Equalization of Benefit to Cost Ratio; and

- (b) Mr Albert CHAN's proposal to require the hire of a certain percentage of Hong Kong people for the construction of the HZMB Main Bridge might be too rigid. To ensure cost-effectiveness, the three governments had already agreed to conduct international tendering. Separately, the implementation of HKBCF, the Hong Kong Link Road (HKLR), Tuen Mun-Chek Lap Kok Link (TM-CLKL) and TMWB projects in Hong Kong was estimated to create about 18 000 jobs during the construction stage.

12. Mr Albert CHAN remained concerned that Hong Kong might suffer economic loss instead because, while Hong Kong's split of cost was the largest, HZMB might end up benefiting more the neighbouring regions, as the commissioning of HZMB might provide greater convenience for Hong Kong residents to travel to Macao and the Mainland for consumption activities. As such, he expressed regrets about the lack of details on the financing arrangement of HZMB. He also considered it undesirable that there was no undertaking to recruit local workers for HZMB projects. STH said that HZMB's lead bank, which had already been identified through open tender, had offered favourable financing terms. In fact, the details of these terms had already been disclosed to the public after the tendering results were released. Further details could be supplemented in the relevant PWSC paper as necessary.

Development of a bridgehead economy

13. Mrs Regina IP referred to the AsiaWorld-Expo near the Hong Kong International Airport (HKIA), the business of which might be greatly improved with the commissioning of HZMB, and enquired whether in designing the alignment of HKLR, consideration had been given to ensuring easy access to the AsiaWorld-Expo. STH responded that since HZMB would be directly linked to HKIA either through HKLR and then road network or Automated People Mover via HKBCF, HKIA and other developments in Tung Chung would surely benefit. PM/HZMB added that HKBCF was close to the Airport Island and other facilities adjacent to HKIA. HKLR would also be connected to the Airport Island's existing road network. As such, where necessary shuttle bus service could be arranged between HKIA related facilities and HKBCF to facilitate the development of a bridgehead economy at the landing point of HZMB in Hong Kong. Mr Albert CHAN, however, cautioned that HZMB might not help improve the business of AsiaWorld-Expo which would face keen

competition from Zhuhai and Macau, access to which would similarly be made easier by HZMB.

14. Mr WONG Kwok-hing enquired whether the proposed Lantau Logistics Park (LLP), Tung Chung North Future Development and Tung Chung East Future Development would be implemented in parallel with HZMB to facilitate the development of a bridgehead economy at the landing point of HZMB, and to alleviate the unemployment problem plaguing the logistics industry. STH responded that, in consideration of the uncertain local and global economic situation, the Administration was reviewing the way forward for LLP, including the scale and timing of development, how land would be granted for the purpose, etc. As to Tung Chung North Future Development and Tung Chung East Future Development, departments concerned were examining them in the light of Tung Chung's long-term development, and road and rail connection to support these two developments would be planned when more details were available. Mr WONG highlighted the long-term need for LLP considering the inadequacy of parking facilities for container trucks, so that many plots of land in the New Territories had been illegally used for the purpose. At his request, STH agreed to provide supplementary information on the latest situation and timetable of the above developments.

Admin.

(Post-meeting note: The requested information was issued vide LC Paper No. CB(1)1493/08-09 dated 5 May 2009.)

15. Mr LEE Wing-tat urged the Transport and Housing Bureau to liaise with the Planning Department on how to maximize the use of the HKBCF site considering its large size, so as to facilitate the development of a bridgehead economy there. STH responded that other political parties and the relevant District Councils had made similar suggestions. The Administration would consider the suggestions and aimed to strike a balance in recognition of the need to ensure security in the area and effective operation of HKBCF.

16. Mr LAU Kong-wah recalled that the Democratic Alliance for the Betterment and Progress of Hong Kong had submitted a report on development of a bridgehead economy at the landing point of HZMB in Hong Kong to the Administration a few years before, and urged the Administration to examine it.

Alignment of HKLR and HZMB

17. Mr WONG Kwok-hing enquired whether to cut cost and save travelling time, HKLR could be straightened to shorten its length rather than winding around the Airport Island. PM/HZMB responded that in view of the need to close the airport channel between the Airport Island and Tung Chung for construction of the tunnel portal if this alignment was adopted, and the likely environmental impacts, Mr WONG's proposed alignment was infeasible.

18. Ms Miriam LAU indicated support for the hybrid tunnel-cum-at-grade scheme. She enquired why this scheme had not been proposed earlier and whether it was due to cost consideration. PM/HZMB responded that the costs involved for this scheme and the original viaduct scheme were more or less the same. Under this scheme, half of HKLR would be constructed in the more costly tunnel form, while half of it would be constructed as an at-grade road instead of a viaduct as originally proposed. The cost savings so arising could offset the higher cost of the tunnel portion.

19. Highlighting the implementation of the Red and Green Channels at Hong Kong's control points, Ms Miriam LAU asked whether the alignment of HKLR could be designed in such a way that vehicles using the green channel could take a short cut as necessary without making the long detour to HKBCF. STH responded that as vehicles using the green channel might as necessary be selected for customs examination, they could not avoid the detour. She further pointed out that the proposed site location of HKBCF had various advantages. Apart from being a transportation hub, linking the future HZMB, HKLR, TM-CLKL and TMWB as well as existing road networks, there was also an option for the proposed rail link between HKIA and the Shenzhen Airport to connect to HKBCF. With these connections, HKBCF could serve as a strategic multi-modal transportation hub and the synergy effect would be considerable.

20. Mr Albert CHAN questioned why the Hong Kong section of the HZMB Main Bridge should, instead of going in a straight line, go south first before going north again to reach Hong Kong. PM/HZMB responded that the detour was necessary to avoid affecting navigation channels, namely, to provide sufficient headroom as high as 41 metres for ships that had to go under the Bridge while observing height restrictions imposed by HKIA to avoid affecting flight safety. PM/HZMB added that apart from the need to ensure the safety of the five navigation channels of different depths in the waters concerned, there was a need to move the Bridge away from the waters off Tai O to minimize impacts on the habitat of Chinese White Dolphins.

Location of HKBCF

21. Mr Ronny TONG highlighted public concern about the proposed location of HKBCF, and commented that it should be located west of HKIA considering its visual and air impacts, and impacts on Chinese White Dolphins. In response, STH assured members that the reclamation works, dredging operation, extension of Automated People Mover, and road bridges under the HKBCF project were all designated projects under the Environmental Impact Assessment Ordinance (EIAO) (Cap. 499). PM/HZMB added that the present location was preferred because it would cause less overall water resistance to the main flow path and less impact on flood discharge capacity of the Pearl River. As to Mr TONG's proposal on location of HKBCF at the western

waters off the Airport Island, it was considered infeasible for the following reasons –

- (a) The waters on the western side of the Airport had long been recognized as an active area of Chinese White Dolphins. They were densely populated at Sha Chau/ Lung Kwu Chau and at the west of Lantau Island. Also vital was the dolphin movement corridor between the Sha Chau/Lung Kwu Chau and West of Lantau Island. An artificial island located in this movement corridor would cause serious impact on the Chinese White Dolphin;
- (b) If HKBCF was built near the Hong Kong boundary, marine navigation would be affected, thereby affecting navigation safety; and
- (c) Under this option, the reclamation could not be merged with that of TM-CLKL landfall. That meant reclamation would not only have to be carried out at the west of Airport Island but also at the east as well for TM-CLKL landfall concurrently.

22. Mr Ronny TONG enquired whether HKBCF could be located north of the Airport Island to address Tung Chung residents' concern about the air quality impact. PM/HZMB responded that under the present option, the shortest distance between the section of HKLR between Scenic Hill and HKBCF, and the Tung Chung North Development would be 920 metres. The distance should be long enough for exhaust gas to disperse. Results of the relevant Environmental Impact Assessment (EIA), which had incorporated results from wind direction measurements, had also shown that the noise and air quality impacts of the present site location could satisfy the requirements under EIAO all the year round. He further explained that location of HKBCF north of the Airport Island as Mr TONG proposed would affect the future construction of the third runway and expansion of HKIA because this option would necessitate the construction of a tunnel under the potential site of the third runway and affect its safety. This option would also cause a 3-kilometre detour for HKLR and hence more exhaust gas emission, which could amount to an additional annual NO_x emission of 90 tonnes. Further, this option would incur the dredging of 15 million cubic metres of contaminated sediment, 24-hour ventilation and lighting for the tunnel concerned (i.e. 30 million kilo-watt hours per year), and increase in the project cost by \$ 13 billion.

Patronage and toll levels

23. Ms Miriam LAU pointed out that the HZMB project would not enable the formation of a strategic road network linking Hong Kong, Zhuhai, Macao and Shenzhen to boost its patronage pending the completion of TM-CLKL and

TMWB. In response, STH said that it was the Administration's current plan to try to complete, if possible, all HZMB related projects, including HKBCF and HKLR, at around the same time as that of TMWB and TM-CLKL.

24. The Deputy Chairman noted that given the terms of the relevant loan financing arrangements by the lead bank, the Administration's latest estimate was that the toll level of the HZMB Main Bridge might well be set at the lower end of the range of toll levels previously assumed (e.g. around RMB ¥100 for private cars). Pointing out that the toll level would be affected by the financing arrangement, he sought further details on the statement in paragraph 15(d) of the PWSC paper on the HZMB Main Bridge, i.e. "subject to the approval of the relevant central authorities, the lead bank has undertaken that banks of Hong Kong and Macao will have equal opportunities as Mainland banks for extending non-RMB denominated loans and when making RMB loans, banks of Hong Kong and Macao in the Mainland can compete with Mainland banks on an equal footing on a fair and equitable basis". In his view, the above statement might imply the need for more loans in future the financing terms and hence cost of which were uncertain.

25. STH responded that since such future loans, if any, would be provided through a competitive process, the terms should be favourable and the financing costs properly controlled. Moreover, the toll level would be affected not only by the financing arrangement but also the revenue which hinged on the patronage. In this regard, the Administration and the Mainland authorities had already been studying the introduction of ad hoc quotas for cross-boundary vehicles, and a trial scheme would be rolled out at the Shenzhen Bay Port (SBP).

26. The Deputy Chairman highlighted Hong Kong's contribution to the HZMB Main Bridge of up to RMB¥6.75 billion, and was keen to ensure that the patronage of HZMB would be high enough to justify the above significant contribution. In this regard, he pointed out that border control arrangements would also affect patronage of the HZMB Main Bridge, and questioned the adoption of the mode of "separate locations of BCFs" to serve HZMB, which in his view should be simplified to enhance convenience to motorists. STH responded that the use of new technologies could also help enhance efficiency and convenience as shown by the experience of other busier border control points.

27. Mr LAU Kong-wah considered the estimated toll level of the HZMB Main Bridge reasonable and acceptable. He enquired about details on the relevant toll adjustment mechanism. STH responded that it was the consensus of the three governments to set the tolls level as low as possible to encourage traffic and maximize the effectiveness of HZMB. As such, the toll would be set at a level no higher than what was necessary to cover daily operational cost and loan repayment.

28. Mr KAM Nai-wai enquired about the estimates of the annual traffic volume and toll revenue of the HZMB Main Bridge. He expressed concerns that patronage of HZMB might be as low as that of SBP, and that its operating cost might be high given the significant maintenance cost. STH responded that as pointed out in an earlier paper for the Panel, the estimated daily traffic flow of HZMB in the project feasibility study was highly conservative. These estimates had therefore been adjusted 40% upwards taking into account the measures which had been worked out to boost patronage of HZMB. As to the operating cost, the present estimates had already taken into account the cost of repair and maintenance. The toll should not be significantly increased in future. She further pointed out that it might not be appropriate to compare HZMB's likely patronage with that of SBP because the latter was presently under-utilized due to a lack of sufficient connecting transport infrastructure in Shenzhen. These connecting roads for SBP were still under construction. At Mr KAM's request, she agreed to provide further details of HZMB's traffic flow forecast to the Panel after the meeting.

Admin.

(Post-meeting note: The requested information was issued vide LC Paper No. CB(1)1493/08-09 dated 5 May 2009.)

Regulatory arrangements

29. Mr LEE Wing-tat expressed support for the three governments' decision to take up the responsibility for construction of the Main Bridge. Mr LAU Kong-wah opined that when negotiating with the Mainland authorities on the relaxation of the quota system, the Administration should take note that, to minimize any adverse impacts which ad hoc quotas might have on Hong Kong's road system and environment, the number of visiting private cars from the Mainland should not be the same as that of Hong Kong private cars using the bridge. STH responded that this was already the consensus of the three governments in recognition of the difference in the handling capacity of the respective road networks of the Mainland and Hong Kong. Hence the preliminary agreement with the relevant Guangdong authorities to carefully pursue the relaxation proposal in two phases, starting with the issue of ad hoc quotas to Hong Kong private cars first, to be followed by Guangdong private cars at a later stage upon satisfactory implementation of the proposal for Hong Kong private cars.

30. Mr LAU Kong-wah enquired whether, in parallel with the ad hoc quotas for private cars, a "park-and-ride" scheme would also be introduced, under which parking facilities would be provided on Lantau to enable Mainland or Macao drivers, after crossing HZMB from the Mainland or Macao, to change to use the Airport Express for travelling to urban areas. STH replied that such a scheme should be voluntary rather than mandatory to avoid offsetting the relevant economic benefits of HZMB. The Deputy Secretary for Transport and

Housing (Transport)¹ added that a mandatory "park-and-ride" scheme would only be introduced in Macau in consideration of its small size and the limited capacity of its road networks.

Other views and concerns

31. Mr Albert CHAN expressed concern that the Chinese White Dolphin might very likely become extinct because of the HZMB project given its large scale, and the likely construction of the third runway for HKIA. PM/HZMB responded that the Administration was keen to minimize the impacts of the relevant works on Chinese White Dolphins. As such, a whole chapter in the relevant EIA report would deal with this aspect. Special techniques would also be deployed for underwater works to mitigate their impacts on the habitat of the Chinese White Dolphin, such as the use of bubble curtains to reduce noise from these works.

32. Mr LEE Wing-tat noted that a management body of the HZMB Main Bridge would be set up under the command of the three governments for implementing and managing the HZMB Main Bridge. He was concerned that the body, to be set up under relevant Mainland legislation, might not be able to ensure that tendering would be conducted in the same way as in Hong Kong, where contracts for Government projects were awarded by the Central Tender Board. He was also concerned that as a result of the different management concepts of the Mainland, the management body might inappropriately impose restrictions on access to the HZMB Main Bridge under certain circumstances, thereby giving rise to conflicts. He urged STH to ensure that HZMB contracts would be awarded fairly without giving favour to Mainland companies. He also enquired how the Administration intended to ensure that management of the Bridge could tally with Hong Kong practices.

33. STH responded that all three governments could participate in assessing major tenders for the HZMB project both before and after establishment of the management body. The operation of the management body would also be monitored by the three governments.

34. Mr LAU Kong-wah expressed concern that the planned Shenzhen-Zhongshan Bridge, which would be constructed soon, might compete with HZMB. STH responded that the two bridges would serve different functions. While the former was local infrastructure planned to prepare for the impending saturation of the utilization of Humen Bridge, the latter was a cross-boundary infrastructure forming a strategic road network linking Hong Kong, Zhuhai, Macao and Shenzhen.

35. Mr LEE Wing-tat highlighted the significant increase over the years in the demand for cross-boundary buses, in particular after commissioning of HZMB, and urged the Administration to liaise with the Planning Department to

arrange for the provision of additional terminuses for these buses to facilitate use of the bus service. STH responded that the Administration would ensure their provision when planning new areas such as the West Kowloon Cultural District. She further pointed out that the Transport Department (TD) was monitoring the routing of and support facilities for cross-boundary buses to improve their service as appropriate.

36. Summing up, the Chairman said that the Panel supported submission of the relevant funding proposals to PWSC for further consideration.

**V PWP Item 6819TH - Traffic improvements to Tuen Mun Road
Town Centre section**

(LC Paper No. CB(1)1337/08-09(04) - Administration's paper on 819TH - Traffic improvements to Tuen Mun Road Town Centre Section)

37. The Deputy Secretary for Transport and Housing (Transport)1 (DS(T)1) briefed members on the Administration's proposal (the Proposal) to upgrade 819TH – Traffic Improvements to Tuen Mun Road Town Centre Section (TCS) to Category A to relieve the congestion on that section of Tuen Mun Road (TMR).

Concerns about noise barriers

38. Mr WONG Kwok-hing indicated support for the Proposal which in his view was necessary for meeting anticipated traffic growth to relieve congestion on this important section of TMR. In reply to him on greening of the noise barriers concerned to improve the environment of the section and to mitigate the relevant visual, noise and air quality impacts, the Project Manager/Major Works, Highways Department (PM/MW) explained that greening had already become an essential feature of all new noise barriers. Where the Proposal was concerned, the Administration had been liaising with Tuen Mun District Council (TMDC) on the greening of the noise barriers concerned, and it was initially proposed that creepers would be used for the purpose. The final design would be worked out with TMDC in a few months' time.

39. Mr WONG Kwok-hing urged the Administration to install noise barriers at the sections of TMR between Kam Hing Building and Parkview Court, and between Yan Oi Tong and Tseng Choi Street as residents concerned requested. PM/MW responded that the sections concerned already had a dual three-lane configuration and were thus not included in the road widening Proposal. However, in recognition of public concerns about the noise pollution problem at these two road sections, the Administration was separately dealing with the problem under the existing retrofitting policy, and was conducting a

review study to investigate the feasibility of retrofitting works on them. It was expected that when the results were available in end 2009, the Administration would be able to consult TMDC on how noise barriers could be retrofitted for these road sections. If everything went smooth, construction works could commence in 2012. Mr WONG welcomed the development, and expressed appreciation for the Administration's positive response to public concerns.

Traffic concerns

40. Mr Albert CHAN also expressed support for the Proposal having regard that it was long-awaited by all parties concerned. He however called for careful scheduling and 24-hour monitoring of the works concerned to obviate large-scale congestion during the works period. The Under Secretary for Transport and Housing (USTH) responded that the Administration was equally keen to minimize the traffic impacts caused by the works to TMRTCS and hence had paid special attention to necessary arrangements whether at the tender or design stage or when scheduling works. Measures were therefore readily available to guard against congestion.

41. Mr Albert CHAN opined that the Proposal alone could not ensure smooth north-south traffic flow in New Territories West. He enquired about the implementation timetable of TMWB and TM-CLKL, and called for early implementation of at least the former. DS(T)1 responded that both TMWB and TM-CLKL were among the major infrastructure projects being taken forward as soon as practicable. They would provide a strategic north-south link (west) between Northwest New Territories and North Lantau to enable the formation of a strategic road network linking Hong Kong, Zhuhai, Macao and Shenzhen. To achieve the purpose, the Administration had been closely consulting TMDC on the alignment and other works arrangements of TMWB and TM-CLKL for more than a year, and would continue to address its views about their alignments.

Other concerns

42. Noting the reconstruction of four existing footbridges under the Proposal, Mr WONG Kwok-hing enquired whether provision of subways had been considered. PM/MW replied in the affirmative but pointed out that footbridges were considered more appropriate because the many public utilities pipes and conduits underneath TMRTCS posed physical limitations on the construction of subways.

43. Mr LEE Wing-tat indicated support for the Proposal too. He however urged the Administration to take the opportunity to also improve the environment of the busy bus stop near Jusco to address the serious air and noise pollution problem there. He further enquired about the arrangements regarding the bus stop during implementation of the Proposal. PM/MW responded that

the Administration had already conducted a site visit to the bus stop and, in recognition of the problem there, would implement works under the Proposal to improve the environment. For example, noise barriers would be provided between the bus stop and the road section concerned to mitigate the noise impacts. The Administration would also examine with the Electrical and Mechanical Services Department (EMSD) on ways to improve ventilation at the bus stop. During the works period, the bus stop would not be relocated but would only be moved up or down the road during resurfacing of the road section.

Admin 44. While appreciative of the Administration's initiative to conduct a site visit to the bus stop, Mr LEE Wing-tat highlighted the suffering of people waiting for bus at the bus stop in summer, and urged the Administration to explore the feasibility of providing ventilation shafts like those installed at the Mongkok MTR station some years before to direct conditioned air from the buildings above or adjacent to the bus stop. He further proposed that if the above measure was proved viable, it should be extended to all public transport interchanges. PM/MW responded that he had taken part in the site visit and was well aware of the need to improve the ventilation at the bus stop. As reported above, the Highways Department was exploring with EMSD possible improvement measures including Mr LEE's proposal. Pointing out that his proposal would not incur much cost and was feasible as proved in Singapore, Mr LEE urged the Administration to examine in detail his proposal and report back. At the Chairman's request, the Administration agreed to provide a response to the proposal at or before the relevant Public Works Subcommittee (PWSC) meeting.

(Post-meeting note: The response was incorporated in the relevant PWSC paper.)

Admin. 45. Summing up, the Chairman said that the Panel supported submission of the Proposal to PWSC for further consideration and asked the Administration to provide the necessary information requested by members at the relevant PWSC meeting.

VI Further discussion on Tseung Kwan O Extension (Phase II) progress update and fares

(LC Paper No. CB(1)1337/08-09(05) - Supplementary paper on Tseung Kwan O Extension (Phase II) progress update and fares provided by MTR Corporation Limited

LC Paper No. CB(1)1049/08-09(03) - Paper on Tseung Kwan O Extension (Phase II) progress update and fares provided by

LC Paper No. CB(1)1091/08-09(01)	- MTR Corporation Limited Leaflet on LOHAS Park Station & Tseung Kwan O Line passenger guide
LC Paper No. CB(1)1385/08-09(01)	- Submission from a member of the public
LC Paper No. CB(1)1091/08-09(02)	- Submission from SKTKO Caucus, Liberal Party
LC Paper No. CB(1)1091/08-09(03)	- Submission from a group of Tseung Kwan O residents
LC Paper No. CB(1)1049/08-09(04)	- Legislative Council question raised by Hon Andrew CHENG Kar-foo and the Administration's reply)

Train loading

46. Declaring that he lived in Po Lam, Mr IP Wai-ming referred to the change of the headway of trains for Po Lam Station and Hang Hau Station during peak hours from 2 minutes 40 seconds at present to 2.5 minutes/2.5 minutes/5 minutes upon commissioning of the Tseung Kwan O (TKO) Extension (Phase II), and enquired whether the estimated loadings of trains from Po Lam to Hang Hau and from Hang Hau to TKO (20% and 42% respectively as quoted in the table (the Table) on page 2 of the supplementary paper provided by MTRCL (LC Paper No. CB(1)1337/08-09(05))) reflected the estimated situation when train frequency was changed to 2.5 minutes per train, or 5 minutes per train. The Assistant Commissioner/Bus & Railway, Transport Department (AC/B&R) responded that the above loading represented the estimated general situation under the new "3+1" service pattern, under which the first three out of every four trains from North Point during peak hours would terminate at Po Lam Station while the fourth train would terminate at LOHAS Park Station.

47. Also referring to the Table, Mr IP Wai-ming asked why train loading would decrease from 52% to 47% for journeys from TKO to Tiu Keng Leng under the new service pattern. AC/B&R responded that this was because the number of trains running between TKO Station and North Point Station during peak hours would then be increased by two from 22 to 24 in an hour.

48. The Deputy Chairman enquired how data on the patronage of the TKO Line from Po Lam Station towards North Point during the morning peak (i.e. 8:15 am to 9:15 am) of the past six months had been collected. AC/B&R responded that MTRCL collected and reported to TD such data on a regular basis. TD staff also made site visits to verify the data.

49. Ms Miriam LAU opined that the loading of trains for Po Lam and Hang Hau Stations was affected not only by the size of the population

concerned but by their choice of public transport modes, which was unpredictable. To ensure prompt response to possible increase in demand, she enquired about the loading percentage for triggering review of the need to enhance the train frequency for these two stations, and the lead time required. Mr IP Wai-ming also pointed out that if trains would be 30% loaded when they departed Po Lam Station and 40% loaded after passengers were picked up from Hang Hau Station, passengers would have difficulty in boarding the train at Yau Tong Station.

50. The Head of Operations, MTRCL (HO/MTRCL) responded that the lead time would be at least one year. He assured members that MTRCL would closely monitor train loading and take timely measures as required. The Senior Manager – Projects and Property Communications/MTRCL (SM-PPC/MTRCL) pointed out that according to passenger statistics, the design capacity of trains from Po Lam Station and Hang Hau Station would not be reached in the near future. As to trains from TKO to Quarry Bay, which had a higher loading, it would be technically feasible to enhance their frequency to increase their hourly capacity if necessary. As such, there was no need for conducting the above review in the future, say for at least ten years, unless there were significant changes in the population of or new developments in the areas concerned, which MTRCL would also take into account when determining whether to implement service enhancement works.

Train frequency

51. The Deputy Chairman strongly urged MTRCL to consider further enhancing the frequency of trains running between TKO Station and North Point Station to 2 minutes 10 seconds per train (i.e. number of trains further increased to 28 in every hour), so that the train frequency for Po Lam and Hang Hau Stations could be reduced by one instead of four trains per hour as presently proposed. The Acting Head of Operations/MTRCL (Atg HO/MTRCL) responded that given the single-platform design at Po Lam Station, train service arrangement at 2.5-minute headway was the highest train service frequency for the section between Po Lam Station and TKO Station.

52. The Deputy Chairman questioned why Po Lam Station had been designed in this way, and whether there was really no scope for improvement. HO/MTRCL responded that if train frequency was enhanced to beyond the above 2.5-minute headway, congestion in the tunnels concerned and hence extension of the journey time to the detriment of passengers might be inevitable. Mr IP Wai-ming was unconvinced, and said that if this was the case, design mistakes had been committed.

53. Ms Miriam LAU requested MTRCL to further explain how costly and complicated the necessary improvements to the signalling system would be to enhance train frequency for Po Lam and Hang Hau Stations. HO/MTRCL

responded that there were in fact other considerations, such as train loading, when deciding whether to increase train frequency. As the number of passengers of trains from Po Lam Station and Hang Hau Station had yet to reach the design capacity of trains even after reduction in train frequency for the stations as planned, to ensure proper deployment of resources, MTRCL did not see an imminent need to improve the system to enhance train frequency for Po Lam and Hang Hau.

54. Mr IP Wai-ming enquired about the steps and time required for implementing the above system enhancement works. HO/MTRCL responded that as many studies had to be conducted to sort out technical details, and time was required to implement the relevant works, enhancement would take years to effect.

55. Mr IP Wai-ming urged MTRCL to undertake not to further reduce the train frequency for Po Lam and Hang Hau Stations in future because of the TKO Extension (Phase II) or other developments. HO/MTRCL confirmed that no such need had been identified so far from projected passenger and population figures.

56. The Deputy Chairman gathered from MTRCL's response in paragraph 53 above that technical feasibility was not the real reason for not enhancing train frequency but, rather, cost-effectiveness assessed in the light of MTRCL's perceived service needs. He urged MTRCL to provide a paper confirming that enhancement of train frequency for Po Lam and Hang Hau Stations was in fact feasible if certain measures were implemented, and to explain the cost and technical limitations involved in implementing these measures, and what measures would be taken by MTRCL if trains running from Yau Tong to Quarry Bay were 68% occupied. The paper should also include the total cost required for implementing the system enhancement works to enhance the frequency of trains running between TKO Station and North Point Station during peak hours to 2 minutes 10 seconds, and the loading percentage that would trigger implementation of the above frequency enhancement works.

MTRCL

57. Mr IP Wai-ming enquired whether MTRCL recognized that the new "3+1" service pattern and hence reduction of the frequency of trains for Po Lam Station and Hang Hau Station would inconvenience the passengers concerned. SM-PPC/MTRCL responded that it was true that they would need to adjust their travelling patterns after implementation of the new service arrangements. However, the arrangements would enable the TKO Line to meet the transport needs of the residents of not only Po Lam/Hang Hau but also other areas in TKO. Moreover, to minimize impacts on passengers, MTRCL would further gear up publicity to help them adapt to the new service arrangements. In response to Mr IP's enquiry about whether fare concessions could be offered to passengers at the two stations to compensate them, SM-PPC/MTRCL explained

that MTRCL would from time to time offer fare concessions in response to market situations as necessary.

Other views and concerns

58. The Deputy Chairman was not convinced of the reason given by MTRCL for not extending the Kwun Tong Line to terminate at LOHAS Park Station. According to MTRCL, if the Kwun Tong Line were to extend to terminate at LOHAS Park, trains of the Kwun Tong and TKO Lines would have to share the tracks between Yau Tong and TKO Stations. He considered that other enhancement works should be implemented to make the extension feasible because, the TKO Line alone could not cope with further population growth in TKO. The General Manager – Kowloon Southern Link/Tseung Kwan O South/MTRCL (GM-KSL/TKOS/MTRCL) responded that MTRCL had also examined the alternative of extending the existing tunnels and tracks of the Kwun Tong Line to the LOHAS Park Station. It was however found infeasible because the tunnels and tracks currently ended in the deep underground section between Tiu Keng Leng and TKO Stations, which was confined by locations of the foundation piles of the structure of TKO Station and other surrounding buildings. In response to the Deputy Chairman's request, MTRCL agreed to provide further details on the above explained technical limitations.

MTRCL

59. Mr IP Wai-ming also queried how the TKO Line and the TKO Extension (Phase II) could cater to the future population growth in TKO and LOHAS Park if further enhancement of train frequency and extension of the Kwun Tong Line to LOHAS Park Station were both infeasible. Ms Miriam LAU pointed out that the number of trains of the Tsuen Wan Line could reach 30 per hour. HO/MTRCL and Atg HO/MTRCL responded that Po Lam and Hang Hau Stations were planned in the 1990s based on the population forecast and future developments in the areas. The passenger capacity of trains running from Po Lam/Hang Hau Stations therefore had spare capacity for meeting long-term increase in transport needs as the population of TKO area grew. MTRCL would closely monitor the passenger flow and developments along the rail network, and would take measures to ensure a smooth flow of passengers and enhance train service frequency if necessary. For example, to increase the hourly capacity of the TKO Line to relieve congestion of trains to the Hong Kong Island, the number of trains running between TKO Station and North Point Station during peak hours would be increased from 22 to 24 in an hour under the new service arrangement. Where necessary, new rail extensions could also be planned in conjunction with the Government.

60. In response to Mr IP Wai-ming's question, HO/MTRCL confirmed that there would not be any change to the journey time from Po Lam to North Point after the commissioning of the TKO Extension (Phase II). Mr IP requested that if MTRCL had conducted trial runs to ascertain the above journey time, MTRCL should provide the relevant details to the Panel.

MTRCL

61. In reply to Mr IP Wai-ming's further question, Atg HO/MTRCL advised that the number of trains running on the TKO Line would be increased from 13 to 14 during the morning peak hours upon commissioning of the TKO Extension (Phase II).

62. At the suggestion of Mr IP Wai-ming, the Chairman said that the Panel might consider conducting a visit to the TKO Extension (Phase II).

VII Bus fare adjustment mechanism

(LC Paper No. CB(1)1337/08-09(06) - Administration's paper on rectification of the wage indices and consequential revision to fare adjustment formula outcomes)

63. To facilitate discussion, USTH briefed members on the existing arrangements for the adjustment of franchised bus fares (the fare adjustment mechanism), which took into account a basket of factors in determining the fare level, under which the Administration would proactively initiate a comprehensive fare review if the fare adjustment formula ($0.5 \times \text{Change in Nominal Wage Index for the Transport Services Sector} + 0.5 \times \text{Change in Composite Consumer Price Index} - 0.5 \times \text{Productivity Gain}$) outcome reached -2%.

64. The Deputy Chairman and Mr Albert CHAN considered it unconceivable and damaging to the professional image of the Census and Statistics Department (C&SD) that it had to rectify the wage statistics for December 2008 released on 26 March 2009. Mr CHAN considered this worrying and sought details of the incident. In response, the Commissioner for Census and Statistics (C for C&S) explained that the incident arose because, in the quarterly Labour Earnings Survey (LES) conducted by C&SD, some establishments provided only raw data which had to be converted by manual computation before they could be used for compiling average wages, and a mistake was committed by the staff concerned in performing manual computation on some types of allowances among different occupations.

Causes and preventive measures

65. Noting the cause of the incident, the Deputy Chairman considered the need to convert raw data by manual computation undesirable, and proposed that the Administration should impose a statutory requirement on public transport operators (PTOs) to provide C&SD with computed figures worked out according to a set of objective criteria in place of raw data. This was because raw data, which covered different types of allowances for different categories of

staff, were confusing and could be easily manipulated to avoid reducing fares. In his view, his proposal could also enable the bus fare adjustment mechanism to function more efficiently to trigger fare adjustment in a timely manner.

66. USTH responded that the fare adjustment formula per se was simple and transparent and should not give rise to any problem. As to data collection, C for C&S elaborated that the wage statistics had been released on a quarterly basis since 1982 without any problem. Wages in general comprised many components and, apart from basic wages, there were commission and tips, shift allowance, cost-of-living allowance, meal allowance and meal benefits, good attendance bonus, guaranteed year-end bonus, etc. As such, while the great majority of the sampled establishments, which numbered 2 000 in each quarter, had been able to provide figures on the above in the form required by C&SD, some 40 of them had difficulty in providing information on "Other regular and guaranteed bonuses and allowances" as required because the categories of bonuses and allowances involved were large in number and the payment methods varied. Instead, these establishments only provided raw data on these bonuses and allowances and C&SD had to perform the necessary manual computation to convert such raw data for use for compiling average wages. The incident occurred because the staff concerned had used the wrong conversion factor, and the subsequent checking procedures could not detect the error.

67. To avoid recurrence, C&SD had implemented the following enhancement measures –

- (a) Enhancing the data processing of LES by developing customized electronic templates with built-in calculation formula for establishments to do away with the manual computation procedures in data collection. Staff would thereafter only need to enter the raw data provided by the respondent into the template; alternatively, the respondent could enter the raw data himself, and the raw data would be automatically converted into the form as required by LES. Thus, manual computation error could be avoided. If the computed results showed substantial variations from those provided by the same establishment in the previous round of the survey, the computer would detect such deviations automatically and alert staff to check the input data;
- (b) Enhancing the sensitivity of data quality checks. If the quarter-to-quarter change in the average wages of an establishment could not pass the tests, staff concerned would have to carry out verification to find out the reasons;
- (c) Strengthening the data verification process. If the average wage of an establishment still showed significant quarter-to-quarter

change after verification by the staff responsible, the supervisor should arrange further checking of the case by another team of staff. The supervisor also had to assess how the case would affect the average wages of the industry concerned. If relatively large quarter-to-quarter fluctuation was observed in the industry concerned, the case had to be brought to the attention of a supervisor of a higher rank for endorsement; and

- (d) C&SD would also enhance the training and communication with staff at different levels to ensure that they understood the work requirements and procedures and enhance their professional ethics and quality.

68. Mr LEUNG Kwok-hung opined that the establishments concerned rather than C&SD should be blamed for the incident. Pointing out that applicants for public housing and for Comprehensive Social Security Assistance were subject to penalties if they did not provide income information as required, he suggested that establishments which failed to provide wage information in the form required by LES or the minimum wage survey should be penalized. This was because firstly, the wage indices used in the bus fare adjustment mechanism and for working out the minimum wage affected millions of people and their accuracy was important. Secondly, if the wages paid by these establishments to their staff including irregular payments (such as discretionary bonuses and overtime allowances) were so complicated as to require manual computation, these establishments must be trying to cut their staff's wages whenever possible and exploiting them. C for C&S clarified that manual computation was not involved in the survey regarding the minimum wage, which required the provision of specific figures in respect of individual employees.

69. Noting the above arrangement regarding the minimum wage survey, the Deputy Chairman opined that similar statutory requirements should be imposed on PTOs when conducting LES. If not, PTOs could always provide more raw data to confuse C&SD to abort the enhancement measures. He requested the Administration to provide details of the some 40 establishments which, instead of providing figures on "Other regular and guaranteed bonuses and allowances" in the form required by C&SD, provided only the nature of these bonuses and allowances and how they were calculated. Such details should include these establishments' names, reasons for not providing specific figures, and why the Administration could not make it a policy that establishments should provide more specific data in place of raw data, etc.

Admin.

70. USTH responded that the provision of raw data might in a way help ensure accuracy. C for C&S supplemented that as different from the survey on minimum wage, which aimed at deriving income distribution and so specific data on individual employees' respective earnings were required, LES aimed at

working out the “cost” of labour. He explained that the relevant legislation might not permit him to disclose the requested details, and pointed out that it might be more advisable to ensure the accuracy of the data collected through close liaison and co-operation with establishments than through statutory measures.

71. Mr WONG Kwok-hing enquired about the employment status of the staff involved in the incident. C for C&S responded that the staff member concerned was not employed on contract basis and, having been with C&SD for a few years and involved in LES for a certain period of time, C&SD had not expected that the staff concerned would have used a wrong conversion factor in performing the manual computation. It was also a coincidence that the staff concerned had not followed up the variation detected by the computer in detail when being alerted to check the input data.

72. Mr Albert CHAN enquired whether the Transport and Housing Bureau (THB) would double check C&SD's computations on bonuses and allowances. The Deputy Secretary for Transport and Housing (Transport) 2 replied in the negative, pointing out that firstly, the wage indices relating to the transport services covered not only bus companies but also six other industries. Secondly, as compared to C&SD which had a standardized and long established method for collecting wage data across the five industry sectors and 46 industries covered in LES, THB did not have any existing channel for the purpose. Thirdly, it would not be appropriate for THB as a user department to double check the statistics provided by C&SD. C for C&S highlighted the enhancement measures and pointed out that where necessary, fluctuations or variations observed would be brought to his attention for endorsement.

Views and concerns about the Administration's enhancement measures

73. Mr WONG Kwok-hing was keen to ensure that improvements could be introduced to the data verification process to restore confidence in C&SD, which would also provide statistics for use in determining the statutory minimum wage in due course. In response, C for C&S drew his attention to the enhancement measure in paragraph 67(c) above. As to the survey on minimum wages, a new system equipped with a set of measures to ensure the quality of data collection and verification had already been specially established for it. A dedicated team with adequate training would also be designated to conduct the survey.

74. Ms Miriam LAU considered C&SD's role important as its statistics were very useful. Noting that the incident involved mistakes in simple and not complicated computation, she considered it damaging to C&SD's credibility and opined that to restore confidence in C&SD, effective enhancement measures should be implemented to promptly rectify errors. In this regard, she cast doubt on the effectiveness of the measure described in paragraph 67(a) above

because, if the computed results did not show substantial variation from those provided by the same establishment in the previous round of LES, the computer might fail to detect the deviations automatically and alert staff to check the input data.

75. C for C&S responded that C&SD attached great importance to the quality of its statistics. International statistical standards were followed in regard to both data compilation and data dissemination. As such, it always took the initiative to review the relevant data if mistakes were spotted, and the relevant statistics would be rectified and the rectified statistics announced to the public on its website in the form of erratum. In fact, over the past five years rectified statistics had been announced to the public three other times in this way in keeping with overseas practices. To address concerns about the enhancement measure in paragraph 67(a) above, the tolerance of variation had been lowered, so that less substantial variations would trigger alert of staff to check the input data.

76. Mr Tommy CHEUNG stressed the need for more efforts from C&SD to restore public confidence in it, and sought further details of measures in this regard. C for C&S responded that C&SD had all along been making efforts to minimize mistakes and rectify them properly on the rare occasions that mistakes occurred. In his view, the enhancement of the sensitiveness of data quality checks should greatly help to avoid errors.

Bus fare adjustment

77. Mr WONG Kwok-hing considered the incident regretful because not only had it tarnished confidence in C&SD but it had also disappointed many passengers whose hope for a downward adjustment of bus fares had been kept high by the wage indices released on 26 March 2009. C for C&S stated that he was accountable for mistakes, if any, in the statistics released by C&SD, and pledged that C&SD would make every effort to improve its service in compliance with their professional ethics. He also apologized to users of the wage indices for any inconvenience caused by the incident. The wage indices were in fact not specifically compiled for use in the bus fare adjustment mechanism. The transport services sector was only one of the five industry sectors (i.e. seven out of 46 industries) covered by LES.

78. Highlighting the present financial crisis, Mr WONG Kwok-hing enquired whether the Administration would consider adjusting bus fares downwards on the basis of other factors in the bus fare adjustment mechanism. USTH responded that the Government would continue to apply on a quarterly basis the fare adjustment formula in accordance with the existing bus fare adjustment arrangement, and would proactively initiate a comprehensive fare review if the formula outcome reached -2%. Before this triggering point was reached, the Administration could not trigger the comprehensive fare review.

79. Mr WONG Kwok-hing queried if the Administration was using the triggering point as an excuse for not introducing fare adjustment. In his view, bus fare adjustment should be introduced in consideration of such other factors as public affordability and the economic environment. USTH responded that as STH had explained earlier, when the fare review was triggered, other factors in the mechanism should be taken into account. In fact, both the triggering point and other factors in the mechanism were equally important in deciding whether bus fares should be adjusted.

VIII Any other business

80. There being no other business, the meeting ended at 12:27 pm.

Council Business Division 1
Legislative Council Secretariat
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