

**Extract from the minutes of the House Committee meeting
on 13 May 2011**

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III. Business arising from previous Council meetings

**(b) Legal Service Division report on subsidiary legislation gazetted
on 6 May 2011 and tabled in Council on 11 May 2011**
(LC Paper No. LS 58/10-11)

8. The Deputy Chairman said that only one item of subsidiary legislation, i.e. the Tramway Ordinance (Alteration of Fares) (Amendment) Notice 2011, was gazetted on 6 May 2011 and tabled in the Council on 11 May 2011.

9. At the invitation of the Deputy Chairman, LA said that the Notice was made by Hong Kong Tramways Limited ("HKT") under section 51 of the Tramway Ordinance (Cap. 107) ("the Ordinance") with the consent of the Chief Executive in Council to alter the fares payable for travelling on the tramway.

10. Referring to paragraph 2 of the LSD Report, LA highlighted that HKT had applied for an increase in adult fares from \$2.0 to \$2.3, child fares from \$1.0 to \$1.2, and the price of a monthly ticket from \$170 to \$200. The alteration of fares as set out in the Notice would come into force one month after its publication in the Gazette, i.e. 7 June 2011, under section 51(2) of the Ordinance.

11. LA further said that the Panel on Transport had been consulted on HKT's original proposal for fare increase at its meeting on 17 December 2010. While members generally recognized the need for maintaining the financial viability of tram service and supported the improvement projects proposed by HKT, they considered the proposed increase of about 25% too drastic. Subsequently, upon the Administration's further discussion with HKT, HKT agreed to adopt a lower fare increase of 15% to 20% as set out in the Notice.

12. Dr Margaret NG said that while she had no particular view on the proposals in the Notice, she was concerned about the provisions in the Ordinance governing the alteration of fares and commencement of fare increase, the power of the Legislative Council ("LegCo") to amend the Notice, the scrutiny period of the Notice by LegCo and the legal principles involved. Should Members have no objection to the proposals in the Notice and consider it not necessary to form a subcommittee to examine it, she suggested that the Notice be referred to the Subcommittee to Study Issues Relating to the Power of LegCo to Amend Subsidiary Legislation.

13. Dr Margaret NG further said that according to her recollection, the Ordinance was a Member's Bill presented to the Council by Mr WU Ting-fan, the first Chinese LegCo Member.

14. Members agreed that it was not necessary to form a subcommittee to study the Notice. Members also agreed to the suggestion of referring the Notice to the Subcommittee to Study Issues Relating to the Power of LegCo to Amend Subsidiary Legislation.

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