

**2013 Policy Address**  
**Transport-related Policy Initiatives of**  
**the Transport and Housing Bureau**

**Our Vision**

As Hong Kong is densely populated, we need to have long-term planning for public transport. Our railway network is the backbone of our passenger transport system. It carries over 4.5 million passengers per day, accounting for about 40% of all public transport passenger trips. Development of rail transport will not only significantly speed up passenger flow, alleviate road traffic congestion and reduce vehicle-induced air pollution; but also release the development potential of peripheral areas and facilitate local development and economic activities. As such, our long-term planning for public transport will revolve around a railway-based network complemented by bus services.

2. We will encourage the use of public transport by improving quality of the public transport services and enhancing coordination of land transport and ferry services. In addition, we will manage road use to reduce congestion and promote safety, and continue to support environmental improvement measures in transport-related areas. We will also improve our linkage with the Mainland by developing local and cross-boundary transport infrastructure.

**New Initiatives**

**I. Traffic Management**

## **Rationalisation of Bus Routes and Enhancement of Interchange Services**

3. The Government and the franchised bus companies have all along been rationalising bus routes and improving the bus network to optimise the use of resources, alleviate the pressure for fare increases and minimise roadside emission. Given the change in the travelling pattern of commuters on public transport in tandem with the development of railway and other infrastructure, the need to strengthen the feeder capacity of buses and ensure the provision of bus services at districts not served by railways, as well as the call for better roadside air quality by reducing unnecessary vehicular flow, rationalisation of bus routes will be a priority under our public transport policy in 2013. This also echoes the aspiration of the councils and the community for enhancing bus service level and better use of resources. In pursuing bus route rationalisation, our objective is to minimise wastage by cancelling under-utilised routes or reducing their frequencies, with a view to redirecting the resources so saved to routes with keen demand.

4. Past efforts of promoting route rationalisation were generally on an individual route basis, which was relatively less effective. In future, the Transport Department (“TD”) and the franchised bus companies will adopt a more macro approach in taking forward route rationalisation through trying out an “Area Approach”. Under this approach, the entire district, instead of individual routes, is to be used as the basis for reviewing and rationalising bus services to ensure effective use of resources. It is hoped that seriously under-utilised routes can be reduced or even cancelled to spare resources for new or existing routes with keen demand. This would provide better and more efficient bus services with an enhanced bus network for the district as a whole. We will actively solicit support from the District Councils and local communities in this regard.

5. Meanwhile, we fully understand the concerns of the public and councils regarding interchange arrangements, service frequencies, bus fares and passenger waiting facilities under the route rationalisation measures. We will, in collaboration with the franchised bus companies, work out as far as possible arrangements for the most benefits of the commuters in overall terms. The Tuen Mun Road Bus-Bus Interchange (“BBI”) (Kowloon-bound), newly opened in end-December 2012, is a case in point. The BBI not only enhances the efficiency of bus services around the area along Castle Peak Road and Tuen Mun Road, it also provides passengers from various sub-districts of Tuen Mun with a bus network of more extensive coverage. Upon the commissioning of the BBI, passengers from various sub-districts of Tuen Mun can choose to interchange from seven short-haul routes to five long-haul external ones heading for Sha Tin and different destinations in Kowloon at one location (i.e. the BBI). Facilities at the BBI have also been upgraded. For example, a pioneering system on Estimated Bus Arrival Time has been introduced for trial run and electronic displays have been installed to provide waiting passengers with information on real-time traffic conditions. Other facilities include seats for waiting passengers, wifi service, vending machines for soft drinks, as well as permanent toilets to be provided afterwards. Apart from the software and hardware that offer more choices and greater convenience to the commuting public, passengers interchanging at the BBI will only need to top up the fare difference between the short-haul trip and the long-haul one. In other words, they can travel to urban destinations at a cost lower than originally required, saving \$7.6 to \$9.5 per journey. The new BBI has been operating smoothly since its opening and is welcomed by passengers in general. Making reference to the experience of this BBI, TD and the franchised bus companies will consider providing similar BBIs at suitable locations.

6. Separately, to prepare for the commissioning of West Island Line and

South Island Line (East) in 2014 and 2015 respectively, TD is conducting a study on how public transport services can be reorganised following the commissioning of the two new rail lines. The recommendations proposed by the study upon its completion will be put to district consultation later this year.

### **Review of the MTR Fare Adjustment Mechanism**

7. Legislative Council and the public have strong views on the service and fares of MTR Corporation Limited (“MTRCL”). We fully understand the public expectation that, commensurate with the role of railways being the backbone of our public transportation system, the MTRCL should run its business in a prudent and fair way, provide fast and convenient services and charge reasonable fares. MTRCL is a public utility of which the Government has a shareholding of about 77%. Although it is a listed company, the MTRCL is not just another private enterprise. Over these many years, it has been supporting the development of Government’s mass transport policy, and is granted the right to carry out property development projects above stations along the railway lines for some financially non-viable railway projects. MTRCL’s development should respond to the need and aspiration of the community, and support Government’s public transportation policy.

8. In accordance with the Operating Agreement signed in 2007, the Government is conducting a five-yearly review of the Fare Adjustment Mechanism with the MTRCL. The Government’s objective is to enhance the coverage, with a view to incorporating service performance and profitability of the MTRCL, as well as public affordability as factors for consideration in the Fare Adjustment Mechanism. These are factors which the Government takes into account when considering fare adjustment proposals put forth by franchised public transport operators. We do not think that the MTRCL should be an

exception. We hope that the Government and the MTRCL will arrive at a “win-win” agreement in the first quarter of 2013 such that the community can share the fruit of MTRCL’s success, whilst laying a more solid foundation for the next stage of strategic development.

**Conducting public consultation on measures to improve the traffic distribution among the three road harbour crossings.**

9. In order to effectively improve the traffic distribution among the three road harbour crossings, we reckon that it is necessary to increase the relatively low tolls of the Cross Harbour Tunnel (“CHT”) while at the same time reduce the tolls of the Eastern Harbour Crossing (“EHC”), so as to provide incentive for motorists to switch from using CHT to EHC to achieve traffic diversion and ease congestion at CHT. We propose to implement the toll adjustment at EHC through Government subsidy.

10. We have formulated some specific toll adjustment options and plan to conduct further public consultation on these options, including consulting the Legislative Council Panel on Transport, Transport Advisory Committee, relevant District Councils and the transport trade. In formulating the specific toll adjustment options, we have taken into account the feedback gathered from the last round of public consultation. With the premise that effective traffic redistribution is achieved, we hope that the impact of the toll adjustments on the public and the transport trade could be minimised. We hope that a consensus could soon be reached within the community to allow us to implement the option most accepted by the public as soon as possible.

**Review of the Fare Adjustment Arrangement for Franchised Buses**

11. Members of the public are concerned about the determination of bus fares. According to the Public Bus Services Ordinance, the scale of fares of franchised bus services is determined by the Executive Council (“ExCo”). When assessing franchised bus fare adjustment applications, the Administration would take into account a basket of factors under the Fare Adjustment Arrangement (“FAA”) for franchised buses, which was put in place after consultation with the Legislative Council. The basket of factors include –

- (i) changes in operating costs and revenue since the last fare adjustment;
- (ii) forecasts of future costs, revenue and return;
- (iii) the need to provide the bus companies with a reasonable rate of return. Reference should be made to the Weighted Average Cost of Capital of the bus industry;
- (iv) public acceptability and affordability. Reference should be made to the change in Median Monthly Household Income and change in Composite Consumer Price Index;
- (v) service performance; and
- (vi) a formula for a supportable fare adjustment rate<sup>1</sup> for reference by the Administration. The fare level will not be adjusted automatically according to the formula outcome.

12. The current FAA was put in place in 2006. The last review was completed in 2009. A new round of review would commence this year, and is expected to complete in mid 2014.

13. The existing arrangement, under which bus fare increase applications

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<sup>1</sup> Formula = 0.5 x Change in Nominal Wage Index for the Transportation Section + 0.5 x Change in CCPI – 0.5 x Productivity Gain.

will be assessed according to a basket of factors and the final decision is to be made by ExCo, can basically strike a balance between the sound operation of the bus services as well as public affordability and acceptability. The current review aims at examining whether there is room for improvement regarding the individual factors of the current FAA basket, with a view to ensuring that public interests will continue to be best protected and healthy development of bus services can be sustained.

### **Installation of “Stop-and-go” E-payment Facilities at Government Tolled Tunnels and Roads**

14. With technological advancement, it has been becoming more and more common for the retail and transport trades to use smartcard in e-payment. The Government has received requests from the public from time to time in recent years for introducing “stop-and-go” e-payment facilities at Government tolled tunnels and roads. With the relevant technology coming to maturity, we are considering introducing “stop-and-go” e-payment facilities at the manual toll booths of the seven Government tolled tunnels and roads to address the public requests and provide convenience to motorists. We shall present the relevant proposal to the Panel on Transport within the first half of this year to seek Members’ views.

## **II. Railway Development Strategy and Road Infrastructure Projects**

### **Review of the Railway Development Strategy 2000**

15. A railway often takes years and costs billions to go through the planning, public consultation, design and construction stages before commissioning. It is therefore necessary for the Government to have a forward-looking plan at an

early stage. We launched the study for the Review and Update of the Railway Development Strategy 2000 in March 2011, and conducted the Stage 1 public engagement exercise from April to July 2012 to consult the public on the proposals of three major regional railway corridors. The Stage 2 public engagement exercise is planned to commence in the first quarter of this year and focus on local enhancement schemes for existing railway lines. In conducting a comprehensive review of the future railway development strategy, we hope the public can participate actively so that we can work together to map out our future development blueprint which can meet transport demand in a cost-effective manner. Following the Stage 2 public engagement exercise, the consultants will thoroughly consider the public comments collected at both stages, and make recommendations on the planning and development of future major regional railway corridors and local enhancement schemes. The entire study is expected to be completed in 2013.

### **Implementation of the “Universal Accessibility” Programme**

16. During the visits of the Chief Executive and his political team to the 18 districts earlier on, many elderly people have asked the Administration to retrofit barrier-free access facilities in public walkways (i.e. footbridges, elevated walkways and subways). With the aging population, we will expand the existing programme to retrofit barrier-free access facilities to bring further convenience to the public.

17. We announced a new policy on “universal accessibility” in August 2012 to improve the accessibility of the public walkways for the public (especially the elderly and persons with disability) to bring them further convenience –



- (i) when considering retrofitting barrier-free access facilities to existing or newly constructed public walkways, we would treat lifts and ramps equally (unless the site conditions dictate one form over another). This is a change from the past practice which gives priority to ramps; and
- (ii) as long as site conditions permit, we will still consider installing lifts at walkways where there is already a standard ramp installed. After a lift has been installed, we will evaluate whether to keep the ramp or demolish it for more spacious pavement or to make way for roadside greening.

18. When we announced the new policy, we at the same time invited members of the public to propose locations of public walkways where they considered necessary to retrofit lifts on or before 31 October 2012. The new policy has received an overwhelming response from the public. During the nomination period, we have received suggestions involving over 250 suggested locations/public walkways within the ambit of the new policy. The Legislative Council Finance Committee has just approved our application on creating a new block allocation, which enables us to deploy resources flexibly. The works departments will be able to commence and complete the works as soon as possible according to the actual circumstances and progress of works, thus benefitting the public. We will provide the consolidated list of proposals to District Councils to discuss the priority for implementation, at the same time continue taking forward the original retrofitting programme which was recommended by the Equal Opportunities Commission.

### **III. Road Safety**

## **Implementation of the Requirement for Installation of Reversing Video Device on Newly Registered Goods Vehicles**

19. We shall proceed to implement the requirement for installation of the reversing video device on newly registered goods vehicles. The device can help improve reversing safety by reducing blind spots behind goods vehicles. The feasibility of fitting of such device on new goods vehicles has been confirmed and should be accorded priority. We have consulted Members of the Panel on Transport in the last legislative year and Members were in general supportive of our legislative proposal. We have started drafting the relevant subsidiary legislation and plan to introduce legislative amendments within the current legislative year.

### **On-going Initiatives**

#### **I. Cross-boundary Transport Infrastructure Projects**

**Continuing to press ahead with the Hong Kong-Zhuhai-Macao Bridge (“HZMB”) project and formulating appropriate cross-boundary traffic arrangements.**

20. Regarding the actual progress of the works of the Hong Kong-Zhuhai-Macao Bridge (“HZMB”), the construction works of the Main Bridge in the Mainland waters, including the Macao-Zhuhai Boundary Crossing Facilities, commenced in end 2009, and are expected to be completed in 2016 as scheduled. With regard to the HZMB-related projects within Hong Kong, the Hong Kong Boundary Crossing Facilities and the Hong Kong Link Road projects have entered the on-site construction stage as planned. We will

closely monitor the progress of the projects to ensure their interfacing with the targeted commissioning of the Main Bridge in 2016.

21. To prepare for the commissioning of the HZMB in 2016, we have commenced discussion with the relevant authorities in Guangdong and Macao on the cross-boundary transport arrangements for the project. The three governments have set up the Co-ordination Group on Cross-boundary Matters to press ahead with the relevant policy studies. We will, having regard to the functions and characteristics of the HZMB, formulate a comprehensive plan that would complement the local road system to bring the economic benefits of the bridge into full play.

**Continuing with the construction of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (“XRL”) with target completion in 2015.**

22. The construction of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (“XRL”) commenced in January 2010. The progress of the construction has been satisfactory so far. The foundation works of the West Kowloon Terminus are substantially completed and the underground structural works are underway. The works of the tunnel sections are progressing as planned. We expect that the Hong Kong section of the XRL can be completed in 2015.

23. Regarding the operational arrangements of the XRL, we will continue to discuss and study the related issues through the various task forces established with the Mainland authorities, including ticketing system, scheduling, operating procedures and guidelines under different conditions, incident coordination, staff training, maintenance etc. to ensure the safety and efficiency of the train services.

Meanwhile, we will continue our discussion with the relevant mainland authorities regarding the passenger clearance arrangements, so as to facilitate the commissioning of the XRL.

## **II. Local Railway Infrastructure Projects**

### **Monitoring the progress of the works of the West Island Line for timely commissioning in 2014.**

24. The West Island Line (“WIL”) is an extension of the Island Line from Sheung Wan to Kennedy Town. The construction works of the WIL commenced in July 2009. The progress has been satisfactory and we expect that the railway will be commissioned in 2014 as scheduled. We will continue to stay in touch with the Central and Western District Council and the local community regarding the construction progress and the associated matters.

### **Monitoring the progress of the works of the South Island Line (East) and the Kwun Tong Line Extension for timely commissioning in 2015.**

25. The South Island Line (East) (“SIL(E)”) is a new rail corridor from South to North of Hong Kong Island. It starts from South Horizons on Ap Lei Chau to Admiralty via Lei Tung, Wong Chuk Hang and Ocean Park. The Kwun Tong Line Extension (“KTE”) is an extension of the Kwun Tong Line from Yau Ma Tei to Whampoa. The construction works of the SIL(E) and KTE commenced in May 2011. The progress of both railways has been satisfactory and we expect that the railways will be commissioned in 2015 as scheduled. We will continue to stay in touch with the District Councils and the local community regarding the construction progress and the associated matters.

## **Monitoring the progress of the works of the Shatin to Central Link (“SCL”) for timely phased commissioning in 2018 and 2020.**

26. After its completion, the SCL will form two strategic railway corridors, namely the “East West Corridor” and the “North South Corridor”. The “East West Corridor” will connect the Ma On Shan Line with the West Rail Line; while the “North South Corridor” will extend the existing East Rail to Admiralty Station. The construction works of the SCL commenced in July 2012. The progress has been satisfactory and we expect that the Tai Wai to Hung Hom section will be commissioned in 2018 while the Hung Hom to Admiralty section in 2020 as scheduled. We will continue to stay in touch with the District Councils and the local community regarding the construction progress and the associated matters.

### **III. Road Infrastructure Projects**

#### **Pedestrian Environment Improvement Projects**

27. We are planning out projects to improve the pedestrian environment in several areas with high pedestrian flow, such as Causeway Bay, Mong Kok and Yuen Long, in Hong Kong. The projects involve improvement programmes such as construction of subway systems/ footbridge systems and widening of space for pedestrian activities. This will help create a more convenient and comfortable pedestrian environment, hence encourage the public to walk.

28. Regarding the pedestrian subway system in Causeway Bay, we have carried out two stages of public consultation. We will make reference to the views of the public and further optimise the details of the pedestrian subway system. For the footbridge system in Mong Kok, following earlier consultation

with the public, we are conducting further studies regarding the planning of works to optimise the design concerned. Regarding Yuen Long, improvement works which are relatively smaller in scale are being completed. We will also consult the public on the design of the footbridge system.

29. In the long run, when the situation permits and with community support, we will provide more "pedestrian-friendly" space and accesses, with a view to encouraging the public to walk instead of travelling on vehicles.

### **Hillside Escalator Links and Elevator Systems**

30. The Government has established a set of comprehensive, objective and transparent scoring criteria for assessing proposals for the "provision of hillside escalator links and elevator systems" ("hillside escalator systems") to determine the priority for conducting feasibility studies for the proposed projects. In 2010, the 20 proposals received at that time were assessed in accordance with the assessment system.

31. Regarding the proposals ranked top ten in the assessment, preliminary technical feasibility studies for the top nine have been completed. The preliminary technical feasibility study for the remaining one is nearing completion. We will take forward the proposals that are confirmed technically feasible as quickly as possible.

32. Regarding the other lower-ranked proposals, we will pursue them after the smooth implementation of the top ten proposals. Nevertheless, in response to requests of the public, we will examine whether there is room to expedite the handling of these proposals.

## **Promoting “Bicycle Friendly” Environment**

33. We will strive to promote “bicycle friendly” environment in the rural areas, new towns and new development areas, including developing new cycle track network and improving existing cycle tracks and bicycle parking facilities. The Civil Engineering and Development Department is developing a new cycle track network in the New Territories. Upon completion of the project, we shall have a 105 km long cycle track network traversing various districts of the New Territories. Besides, TD engaged a consultant in May 2010 to conduct a study on problems commonly found about cycling in new towns. A series of preliminary improvement measures recommended by the consultant is being carried out in Tai Po under a pilot scheme to improve the existing cycle tracks and bicycle parking facilities. When the pilot scheme is completed by late 2013, we shall determine the specific arrangements and priorities for extending the various improvement measures to other districts having regard to the physical environment of individual areas and views of local residents, as well as to the effectiveness of the improvement measures and the resources required.

## **IV. Road Safety**

**Continuing to combat drug driving and implement measures to enhance public light bus (PLB) safety to improve road safety.**

34. The amendment legislation for combating drug driving came into operation in mid-March 2012 and is yielding initial results. During the first seven months since the commencement of the new legislation, 17 drivers have been prosecuted. On the other hand, since the commencement of the amendment legislation for enhancing PLB safety in mid-April 2012, the Police

have carried out multiple territory-wide enforcement exercises, targetting PLB operational safety issues, such as whether PLB had exceeded the speed limit and whether they had installed speed limiters as required. The Police will continue to stringently combat drug driving and illegal behaviour of PLB drivers in accordance with the legislation.

35. In the coming year, we shall implement the proposal to improve the service quality of new PLB driver, i.e. requiring applicants for PLB driving licence to attend and complete a mandatory pre-service course before they are issued with a PLB driving licence. This proposal was included in the above-mentioned amendment legislation for enhancing PLB safety, and passed by the Legislative Council. We aim at tabling the relevant commencement notice before the Legislative Council within the current legislative year.

36. Furthermore, in view of the recent serious traffic accident involving franchised buses, TD is consulting the representatives of bus captains on the arrangements under the “Guidelines on Bus Captains’ Working Hours, Rest Times and Meal Breaks” so as to take appropriate follow up actions. The franchised bus companies are also reviewing the health check arrangements for bus captains. TD will keep in view the review to ensure its early completion and help coordinate as necessary.

### **Promoting Cycling Safety**

37. We are very concerned about the rising number of bicycle accidents as this activity becomes more popular. As there have been relatively more cycling accidents in Sha Tin and Tai Po in recent years, TD has engaged a consultant to analyse the records of the bicycle accidents that occurred along the cycle tracks in the two districts, identify accident-prone locations and the causes



and patterns of the accidents, so that focused and feasible improvement measures can be taken at the relevant locations to reduce the risk of accident. The analysis is preliminarily concluded and the consultant is working on the design of the improvement measures. The relevant improvement works are expected to be completed in stages from 2013 to early 2014.

**Reviewing and updating legislation related to vehicle safety and vehicle standards to improve road safety.**

38. We will regularly review and update legislation related to vehicle safety and vehicle standards to improve road safety. We plan to amend the legislation to update some standards which are related to equipment like vehicle lightings and reflectors. Furthermore, to enhance the protection of child passengers travelling in private cars, we are considering to amend the legislation on the use of child restraint device (“CRD”) in private cars. The current legislation requires that a child aged less than 3 years old must be restrained by an approved CRD when travelling in the front seat of a private car. Making reference to overseas studies and practices, we propose that all private car passengers under 4 years old and weighing not more than 18 kilograms must use CRDs in both front and rear seats. We are planning to consult the Panel on Transport on our proposal in the first half of this year.

**V. Traffic Management**

**Review of the Arrangements regarding Vehicle and Driving Licensing Services**

39. To improve the issuing mechanism of Certificate of Particulars of Motor

Vehicle (“the Certificate”), in order to provide better privacy protection to the registered vehicle owners whose personal information is contained in the register of motor vehicles and to ensure the proper use of such information, we have consulted the Panel on Transport and conducted a two-month public consultation on the relevant legislative proposal in July last year. Having considered the comments and suggestions received, we will propose legislative amendments to the Road Traffic (Registration and Licensing of Vehicles) Regulations (Cap. 374E). Under the latest legislative proposal, applicants of the Certificate would be released the personal information, namely the full address and the identity document, of the registered vehicle owner only under the specified situations set out in the law. Applicants would only be provided with the name of the registered vehicle owner and the 15 vehicle particulars if no purpose of application is declared. With a view to further preventing abuse of the personal data of registered vehicle owner, we also propose to introduce a sanction and to set up a notification mechanism to inform the owner concerned of the respective application for the Certificate. We will consult the Panel on Transport on our latest proposal shortly.

40. As regards driving licensing services, we are considering whether to adjust the age requirement for applicants to produce a certificate issued by a registered medical practitioner when applying for issuance or renewal of a driving licence. We will carry out extensive consultation with the different stakeholders and relevant experts, and make reference to the practices and experience of overseas jurisdictions. We will report to the Panel on Transport upon completion of the review.

**Transport and Housing Bureau**

**January 2013**