

立法會
Legislative Council

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Panel on Transport

**Minutes of meeting held on
Friday, 27 February 2015, at 10:45 am
in Conference Room 3 of the Legislative Council Complex**

- Members present** : Hon Michael TIEN Puk-sun, BBS, JP (Chairman)
Hon TANG Ka-piu, JP (Deputy Chairman)
Hon LEE Cheuk-yan
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon CHAN Hak-kan, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Claudia MO
Hon Frankie YICK Chi-ming
Hon WU Chi-wai, MH
Hon Gary FAN Kwok-wai
Dr Hon KWOK Ka-ki
Dr Hon Elizabeth QUAT, JP
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, BBS, MH, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
- Members absent** : Hon Ronny TONG Ka-wah, SC
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Albert CHAN Wai-yip

Hon CHAN Han-pan, JP
Hon Tony TSE Wai-chuen, BBS

**Public Officers
attending** : **Agenda item III**

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

Ms Judy CHUNG Sui-kei
Principal Assistant Secretary for Transport and
Housing (Transport) 5

Mr Jimmy CHAN Pai-ming
Project Manager/Major Works
Highways Department

Mr BOK Kwok-ming
Deputy Project Manager/Major Works (2)
Highways Department

Mr SIU Kang-chuen
Chief Traffic Engineer/New Territories East
Transport Department

Agenda item IV

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

Miss Amy CHAN Yuen-man
Principal Assistant Secretary for Transport and
Housing (Transport) 6

Mr CHEUNG Jin-pang
Assistant Commissioner/Administration &
Licensing
Transport Department

Mr James YEUNG Sing-nam
Principal Executive Officer/VALID & Licensing
Transport Department

Clerk in attendance : Ms Sophie LAU
Chief Council Secretary (4)6

Staff in attendance : Ms Macy NG
Senior Council Secretary (4)6

Ms Emily LIU
Legislative Assistant (4)6

Action

I. Information papers issued since last meeting

(LC Papers Nos. CB(4)441/14-15(01) and CB(4)517/14-15(01) - Letter from Hon TANG Ka-piu on the impact of the drop in oil prices on the fees of franchised bus and outlying island ferry services and the Administration's response

LC Paper No. CB(4)528/14-15(01) - Memorandum referring to the Panel the views and concerns raised by Wong Tai Sin District Council members regarding the new policy on "Universal Accessibility"

LC Paper No. CB(4)532/14-15(01) - Information paper provided by the Administration regarding Western Harbour Crossing Tolls

LC Paper No. CB(4)532/14-15(02) - Company's background brief from Western Harbour Tunnel Company Limited

LC Paper No. CB(4)532/14-15(03) - Information paper provided by the Administration regarding Tai Lam Tunnel and Yuen Long Approach Road Tolls

LC Paper No. CB(4)532/14-15(04) - Letter from Route 3 (CPS)
Company Limited)

Members noted the above papers issued since the last meeting.

II. Items for discussion at the next meeting on 20 March 2015

(LC Paper No. CB(4)537/14-15(01) - List of outstanding items for
discussion

LC Paper No. CB(4)537/14-15(02) - List of follow-up actions)

2. Members agreed to discuss the following items at the next regular meeting to be held on 20 March 2015 –

(a) Widening of Tai Po Road (Sha Tin Section) – detailed design and site investigation; and

(b) Public Transport Strategy Study - Franchised bus service.

3. The Chairman expressed his disappointment that item 2(a) above should have been included in the agenda of this meeting but it was deferred to the next meeting at the request of the Administration which needed more time for preparation.

4. The Chairman then informed members that the Administration would brief the Panel on Economic Development at its meeting on 23 March 2015 on the long-term arrangements for the peak tramway, being a tourist and recreational facility, upon the expiry of the existing operating right in end-2015. He drew members' attention that members of the Panel on Transport ("the Panel") would be invited to join the discussion of the above item. Members noted.

III. Dualling of Hiram's Highway between Clear Water Bay Road and Marina Cove and improvement to local access to Ho Chung

(LC Paper No. CB(4)537/14-15(03) - Administration's paper on
703TH - Dualling of Hiram's
Highway between Clear
Water Bay Road and Marina
Cove and improvement to
local access to Ho Chung)

5. At the invitation of the Chairman, Under Secretary for Transport and Housing ("USTH") briefed members on the Administration's funding proposal to upgrade 703TH "Dualling of Hiram's Highway between Clear Water Bay Road and Marina Cove and Improvement to Local Access to Ho Chung" ("the Project") to Category A at an estimated cost of \$1,774.4 million in money-of-the-day prices. It was planned that tenders for the Project would be called for shortly. Deputy Project Manager/Major Works (2) ("DPM/MW(2)") of Highways Department ("HyD") then explained to members with the aid of powerpoint on the details of the Project (LC Paper No. CB(4)597/14-15(01)).

Challenges of implementing the Project

6. The Chairman noted that the Project aimed to solve the current traffic congestion problem of some road sections of Hiram's Highway, which had already exceeded their design capacity at present. He wondered why the Administration had not taken forward the proposal to solve the problem years ago.

7. USTH explained that the Administration had taken note of the traffic congestion problem at Hiram's Highway and had been discussing the details of the Project with Sai Kung District Council ("SKDC") since 2007. Due to the strong views expressed against the Project by some local residents and environmentalists, it took the Administration some time to amend the design of the Project to accommodate their views/concerns.

8. The Chairman and Mr POON Siu-ping then asked whether a consensus had been reached with the stakeholders at present on the Project. Dr Elizabeth QUAT indicated support for the Project and also expressed concern about the challenges ahead in implementing the Project.

9. USTH said that the current design of the Project had already taken into account most of the views of local residents. However, there might still be some views against the Project during its implementation as the Project involved the resumption of private agricultural land and clearance of government land. The Administration anticipated that those opposite views would be manageable. USTH also solicited Members' support for the funding proposal at the meetings of Public Works Subcommittee ("PWSC") and Finance Committee with a view to commencing the Project as scheduled.

10. Declaring that he was a SKDC member, Mr Gary FAN confirmed that the Project had been discussed by SKDC for many years and there were diverse views on the Project in the district. Having noted that the

Administration had amended the scope of works and road scheme of the Project to accommodate the views of different stakeholders, he asked about the details of the amendments made.

11. DPM/MW(2) advised that in response to some concerns as raised in the objections after the gazettal of the road scheme for the proposed works of the Project in 2010, the Administration had amended the gazetted road scheme and gazetted an amendment scheme in 2011. The four major amendments were as follows: -

- (a) relocation of the originally proposed noise barrier and construction of an earth bund near Hiram's Villa;
- (b) realignment of a section of the proposed footpath near the junction between Hiram's Highway and Ho Chung Road;
- (c) realignment of a section of the originally proposed noise barrier near Marina Cove; and
- (d) revision of the area of some private land lots to be resumed.

Project cost

12. The Deputy Chairman noted that the contingencies and provision for price adjustment of the Project amounted to about 30% of the total project cost. He asked whether this percentage applied to all other infrastructural projects. He also expressed concern that unlike building works projects, an independent surveyor would not be engaged to carry out the surveying work for infrastructural projects. He opined that this might have affected the accuracy of project cost estimation.

13. USTH said that the Administration had followed the established mechanism in estimating the provision for price adjustment, which was assessed based on the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output. He explained that for some works projects with funding approved in around 2009, the provision for price adjustment was relatively low given the then low inflationary environment. Due to the rapid recovery of the local economy in subsequent years, there was a need to increase the provision for price adjustment for those projects. He drew members' attention that the cost estimate for the Project was only the ceiling of the project cost. In case of a less robust economy in subsequent years, the provision for price adjustment might not be expended fully.

14. The Chairman asked whether the Administration would consider asking the contractor to bear all risks of the Project and reflect the relevant cost in the tenders submitted to avoid increase in provision for price adjustment in the future.

15. Project Manager/Major Works of HyD ("PM/MW") responded that it might not be possible to eliminate all risks of the Government. It was because apart from changes in price level, contractors could still ask for claims in other aspects. He added that under the existing arrangement, the majority of the works projects could be completed within the approved project estimate.

Other views

16. Ms Claudia MO expressed concern over the impact of the works of the Project on the natural environment where birds or wild animals resided in. She also queried the effectiveness of the Project to relieve the traffic congestion as she noted that the Project would only move the bottleneck from Ho Chung currently to Pak Wai on the Sai Kung bound lane. Ir Dr LO Wai-kiwok urged the Administration to plan early for the solutions to the new bottleneck after implementation of the Project.

17. PM/MW said that although the Project was not a designated project under Schedule 2 of the Environmental Impact Assessment Ordinance (Cap. 499), HyD had conducted an environmental study to assess the environmental impacts including ecological impact of the Project. The assessment results had showed that the Project would not impose unacceptable impact on environment and ecology with the implementation of mitigation measures.

18. USTH explained that the proposed road scheme was the result of extensive consultation with stakeholders of the district. In implementation, the Administration would first deal with road sections with more serious traffic congestion and would deal with the less serious ones later as appropriate. He added that the provision of additional lanes along Hiram's Highway would relieve the current traffic congestion, accommodate the anticipated traffic growth, and cope with unexpected events like traffic accidents.

19. The Chairman expressed concern over the impact of the works on traffic in the course of constructing a vehicular bridge-cum-walkway across Ho Chung Channel and demolishing the existing one.

20. PM/MW explained that the contractor would first construct a new two-lane vehicular bridge-cum-walkway while maintaining traffic on the existing bridge. After the commissioning of the new one, the existing one

would be demolished and replaced by a new one. Eventually, the vehicular bridge-cum-walkway across Ho Chung Channel would be a dual two-lane carriageway.

21. In response to the Chairman's further enquiry, PM/MW advised that after completion of the widening works, the existing two-lane uphill Kowloon bound road after passing the merging point of the existing Hiram's Highway and New Hiram's Highway would be widened to a three-lane carriageway.

22. Mr POON Siu-ping noted that the Administration planned to commence the construction works of the Project in the third quarter of 2015 for completion by 2020. He asked whether the works would be completed by phases. PM/MW advised that the Administration would first commence the works on government land which would be made available first, i.e. the road section between Clear Water Bay Road and New Hiram's Highway near Hiram's Villa.

23. Noting that there were two old and valuable trees within the project boundary, Mr Gary FAN asked about the Administration's measures to preserve these two trees. PM/MW informed that removal of these two trees would not be needed under the Project. The contractor would be required to engage a tree expert to regularly inspect and give advice on how to protect these two trees during the works period.

24. Ir Dr LO Wai-kwok considered the Project necessary to cope with the traffic demand and expressed his appreciation of HyD for its efforts to provide temporary traffic arrangements in the past road projects. However, he expressed concern over the visual interference caused by some opaque noise barriers and requested the Administration to strike a balance between the effectiveness of acoustic insulation and visual impact of the noise barriers.

25. PM/MW said that to address the concern over the visual impact of noise barriers, their height would not be very high. In addition, transparent panels would be used as far as practicable.

26. The Panel indicated support for the Administration's funding proposal and the submission of it to PWSC for further consideration.

IV. Proposed revision to fees and charges relating to road traffic (Batch 2)

- (LC Paper No. CB(4)537/14-15(05) - Administration's paper on proposed revision to fees and charges relating to road traffic (Batch 2)
- LC Paper No. CB(4)537/14-15(06) - Paper on the revision to fees and charges relating to road traffic prepared by the Legislative Council Secretariat (updated background brief))

27. At the invitation of the Chairman, USTH briefed members on the Administration's proposed revision to the following fee items relating to road traffic: -

- (a) the proposed revision to 18 government fee items relating to road traffic which had not been revised in recent years and do not directly affect people's livelihood;
- (b) the proposed revision to six fee items charged by operators of designated car testing centres ("DCTC") which were private operations; and
- (c) the proposal to remove on a permanent basis the fees for issue of passenger service licences ("PSL") and PSL certificates ("PSLC") in respect of school private light buses ("SPLB").

28. Members noted that all the above fee revisions required amendments to the relevant legislation and the Administration planned to table the relevant legislative proposals to the Legislative Council within 2015.

General views

29. Members in general agreed to the Government's approach to gradually achieve full cost recovery of providing government services and avoid a steep fee increase. Mr WONG Kwok-hing asked whether the Transport and Housing Bureau ("THB") had strictly adhered to the above gradual approach while proposing the relevant fee increases. Noting that the Administration planned to increase the annual licence fee and duplicate vehicle licence fee for rickshaw, he asked about the number of such licence in Hong Kong. He

opined that the Administration should consider rickshaw as a tourist facility and take the lead to promote wider use of it to attract tourists.

30. USTH confirmed that THB had followed the guidelines specified in paragraph 4 of the Administration's paper when proposing revision to the fee items relating to road traffic. He also undertook to reflect Mr WONG's views to the Tourism Commission regarding the promotion of rickshaw service.

31. Assistant Commissioner/Administration & Licensing ("AC/A&L") of Transport Department ("TD") supplemented that there were at present three licenced rickshaws in Hong Kong, one in the Peak area, one in urban area and the remaining in the New Territories. However, the Administration had no information on whether they were in business or not.

32. Mr CHAN Kam-lam opined that to control the cost of providing government service, the Administration should study how electronic means could be used in areas like vehicle registration and licence renewal, etc.

33. USTH said that the Administration had been reducing cost by adoption of electronic means. He highlighted that in the current fee revision exercise, the Administration was able to propose reduction of some fee items as a result of TD's streamlining of working procedures and the use of computers.

34. Mr LEE Cheuk-yan said that the Labour Party considered it unnecessary to increase the proposed fee items given that there was a big surplus in the public coffer. Mr LEE and Ms Claudia MO considered the Administration's fiscal policies contradictory because on one hand, the Financial Secretary announced in the 2015-16 Budget that the Administration would waive the fees for vehicle examination once for the renewal of vehicle licences of several types of vehicles within a year, while on the other hand it proposed to increase the fees for vehicle examination carried out by operators of DCTCs.

35. USTH said that the Administration adopted the principles of "user pays" and "cost recovery" when proposing revision to the fee items in the current fee revision exercise. He explained that the waiving of relevant fees mentioned in the 2015-16 Budget was a one-off measure to relieve the operational difficulties faced by the relevant trades.

36. Noting that the Administration proposed to increase the annual licence fee for invalid carriage from \$12 to \$14, Ms Claudia MO asked about the definition of invalid carriage and if the Administration would consider waiving the relevant fee permanently to benefit the disabled.

37. AC/A&L explained that invalid carriage was a type of vehicle specifically designed and constructed for the sole use of a person suffering from some physical defects or disabilities. At present, invalid carriages were in use overseas but not in Hong Kong. He added that disabled drivers were eligible for exemptions and concessions from several types of fees, such as vehicle licence fees. USTH supplemented that since it was possible that invalid carriages might be brought into Hong Kong again, there was a need to retain such a fee item and to have its fee level reviewed regularly.

38. Mr CHAN Kam-lam appreciated that the recovery rate for some fee items relating to the use of road by the disabled drivers tended to be lower. He hoped that the Administration would keep this good practice to benefit the disabled.

39. The Deputy Chairman expressed concern over other fee items to be adjusted in the future. USTH said that the Administration would regularly review the costs of all fee and charge items relating to road traffic and introduce fee revision proposals as and when necessary.

Fees relating to provision of vehicle examination service by DCTCs

40. Mr CHAN Kam-lam supported the Administration's policy of contracting out a portion of the vehicle examination service to DCTCs to relieve the workload of TD. However, he noted that the fees charged by private operators of DCTCs were higher than that of TD's vehicle examination centres ("VECs"). He requested TD to duly review and regulate the service fees of DCTCs.

41. AC/A&L explained that DCTCs were operated by private operators but the vehicle examination fees charged by them were regulated by legislation. In fact, the vehicle examination fees charged by them were at the same fee level as those for TD's VECs in respect of the same class of vehicle. The fees of DCTCs had not been revised for over ten years. DCTC operators had indeed requested for a 15% increase in vehicle examination fees to meet their increasing operating costs. After consideration, TD had proposed to increase the relevant fees by about 10% on par with the proposed fee increase for TD's VEC.

42. Dr KWOK Ka-ki pointed out that the proposed increase in vehicle examination fees charged by private operators of DCTC would aggravate the operational difficulties of the trade. He asked whether the profits of DCTCs would be largely increased after the proposed fee revision.

43. USTH believed that the increase of about 10% in fees charged by DCTC operators would not create significant financial burden on vehicle owners.

44. Mr Frankie YICK, Mr CHAN Kam-lam, Mr POON Siu-ping, Dr KWOK Ka-ki and Mr Paul TSE expressed grave concern on the prolonged waiting time for making an appointment for annual examination of a vehicle at DCTC. They strongly requested the Administration to take measures to improve the situation. Mr Paul TSE declared that he was a car owner and said that he had bad experience in this regard for his own car. Members made their respective suggestions to solve the problem as follow:

- (a) extension of opening hours of DCTCs: Mr Frankie YICK and Mr CHAN Kam-lam suggested the Administration to consider requiring all DCTCs to operate on Saturdays and facilitating those which were willing to operate on Sundays. Mr YICK noted that TD's closure on Sundays had created difficulties for DCTCs to verify data in the course of conducting vehicle examinations;
- (b) appointment of more DCTCs: Mr Frankie YICK, Mr CHAN Kam-lam and Dr KWOK Ka-ki suggested TD to designate more DCTCs. Mr YICK said that currently all goods vehicles would need to go to Kowloon Bay for vehicle examination and suggested that another examination centre for goods vehicles should be set up in Shatin to better suit the trade's needs; and
- (c) establishment of fast track and special arrangement on issuing Certificate of Roadworthiness ("CoR"): Mr Paul TSE suggested the Administration to establish fast track service for vehicle owners, in particular commercial vehicle owners, who were willing to pay higher vehicle examination fees; or to issue CoR to the vehicles on the condition that they would pass the vehicle examinations within a short period of time after expiry of their vehicle licence.

45. AC/A&L made the following response:-

- (a) information on the availability of DCTCs could be checked online or by phone. There was no direct communication between the computer systems of DCTCs and TD. As such, whether TD's computer system operated on Saturdays and Sundays or not would not affect DCTCs operation on Saturdays

and/or Sundays. In fact, many DCTCs operated on Saturdays. TD was liaising with DCTCs on extending their operating hours on Sundays;

- (b) the annual vehicle examinations for all commercial vehicles, except some 260 light goods vehicles not exceeding 1.9 tonnes, were conducted at TD's VECs rather than DCTCs. According to TD's figures, there was not a notable increase in the number of commercial vehicles in recent years. The waiting time for making an appointment at TD's VECs was kept within a few weeks as in the past;
- (c) there had not been major revisions on the guidelines and practice for conducting vehicle examinations at DCTCs since 2000. The duration of each vehicle examination was kept at about 20 minutes; and
- (d) DCTCs were usually very busy before the Chinese New Year. Noting the long waiting time for booking an appointment for annual vehicle examination at some DCTCs, TD would improve the computer system of the DCTCs and had strengthened the publicity to appeal to vehicle owners to arrange their vehicles for examination earlier.

46. Mr POON Siu-ping and Dr KWOK Ka-ki asked whether the waiting time for making the relevant appointment would be shortened by increasing the proposed fee items charged by DCTCs.

47. AC/A&L said that in 2014, the annual number of vehicles which examined at DCTCs was about 310 000 while the total capacity of 22 DCTCs was about 400 000. In other words, the capacity of DCTCs should be adequate to meet the demand. The problem of long waiting time might be due to the distribution of DCTCs. As there were fewer DCTCs in the New Territories, the waiting time for DCTCs in the New Territories was in general longer. In light of the increase in the number of vehicles and therefore the demand for annual examinations, TD was planning to designate more DCTCs. TD expected that the invitation for operation of new DCTC would be sent out in mid to late 2015 after consultation with the trade.

Admin

48. Given that there were long queues for making appointments for vehicle examinations, the Chairman requested TD to seriously look into the matter and provide supplementary information on the following items: -

- (a) clarification on whether the support of TD was required to facilitate the operation of DCTCs on Saturdays and Sundays; and
- (b) the analysis on whether the annual capacity of the existing DCTCs was sufficient to meet the demand, including how the Administration determined the annual capacity of DCTCs.

(At 12:44 pm, the Chairman extended the meeting by 10 minutes.)

Fees relating to school private light bus ("SPLB") (commonly known as "nanny van")

49. Mr Frankie YICK reflected that the nanny van trade welcomed the Administration's proposal to remove on a permanent basis the fees for issue of PSL and PSLC in respect of SPLB. He noted that there was inconsistency between the vehicle licence fee level for public and private buses and that of SPLB. As a result, the licence fee for a 16-seater SPLB was higher than that of a 28-seater private bus. He urged the Administration to consider aligning the relevant fee levels to make them consistent.

50. USTH advised that there were different bases for determining charges for public services. The fees for issue of PSL and PSLC fees were determined based on the principle of full cost recovery, whereas the annual vehicle licence fee of different types of vehicles was tax-loaded, taking into account factors such as public finance and transport policies. He added that the annual vehicle licence fee of nanny vans was last revised in 1991. The Chairman urged the Administration to liaise with the Treasury to make vehicle licence fees consistent for different vehicle types. The Administration noted.

51. Pointing out that nanny van operators were facing operational difficulties, the Deputy Chairman also indicated support for the Administration's proposal to remove the fees for issue of PSL and PSLC in respect of SPLB. He asked for the Administration's stance in respect of the suggestion made by The Hong Kong Federation of Trade Unions to increase the seats of nanny vans from 16 to 19 to mitigate the pressure of increasing nanny van fare without incurring significant cost to nanny van operators.

52. USTH said that school bus service would be one of the topics which would be reviewed under the Public Transport Strategy Study. He advised that the matter could be further discussed later at the relevant forum.

V. Any other business

53. The Chairman invited members to note that a special meeting originally scheduled for 11 April 2015 to receive the trade's views on the non-franchised bus services under the Public Transport Strategy Study would be rescheduled to 14 April 2015 at 9:30 am. Members raised no objection.

54. There being no other business, the meeting ended at 12:53 pm.

Council Business Division 4
Legislative Council Secretariat
19 June 2015