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#### Panel on Transport Meeting on 25 November 2014

#### Background brief on public transport strategy in Hong Kong

#### Purpose

This paper provides background information on the public transport strategy in Hong Kong and summarizes the major views and concerns expressed by Legislative Council ("LegCo") Members on the subject.

#### Background

2. The Government has conducted three comprehensive transport studies ("CTS") in the past. The last study was carried out in 1997 with the planning horizon extended to 2016. Based on the findings of this study, which was completed in 1999, the Government formulated in the same year "Hong Kong Moving Ahead: A Transport Strategy for The Future" focusing on the following five transport strategies:

- (a) Better integration of transport and land use planning;
- (b) Better use of railways as the backbone of our passenger transport system;
- (c) Better public transport services and facilities;
- (d) Better use of advanced technologies in transport management; and
- (e) Better environmental protection.

According to the Administration, the various policy recommendations covered by the "Hong Kong Moving Ahead: A Transport Strategy for The Future" promulgated in 1999 have all been implemented.

#### Call for the Fourth CTS

3. In view of the fact that the demand for public transport service has changed following the development of new towns and implementation of new transport initiatives after the Transport Department ("TD") completed the Third CTS ("CTS-3"), some Members urged the Administration to carry out the Fourth CTS ("CTS-4") to make forward planning for the development of the transport system in the 10-odd years thereafter, and to position various modes of public transport in a clearer and more specific way, so as to facilitate their healthy development.

4. At the Council meeting of 21 November 2012, Hon Frankie YICK raised a question asking the Administration on its plan to carry out CTS-4, the relevant question and the Administration's reply is in **Appendix I**, which gives an account of the implementation status of policy recommendations under CTS-3.

#### PTSS to be commissioned

5. At the last meeting of the Panel on Transport ("the Panel") in the 2013-2014 session, members discussed the proposal of Hon WONG Kwok-hing and Hon TANG Ka-piu to set up a subcommittee to discuss the future CTS in Hong Kong. On 17 July 2014, the Secretary for Transport and Housing sent a letter to the Panel providing information about its plan to commission a study on public transport strategy ("PTSS") in the near future (**Appendix II**).

6. According to the Administration, CTS-3 completed in 1999 has mapped out some broad directions with respect to the overall arrangement for the transport system. The Government is of the view that these broad directions remain valid from the policy perspective. Meanwhile, the Administration has also completed the study for the Review and Update of the "Railway Development Strategy ("RDS") 2000"<sup>1</sup>. The Government has therefore no intention to commission CTS-4 as proposed by individual Members at this stage.

7. The Administration advised that the overall arrangement of the public transport services should indeed be reviewed systemically and in detail in tandem with the development of the railway network. In this connection, after the release of the blueprint for post-2020 railway development, the

<sup>&</sup>lt;sup>1</sup> RDS 2000 was announced in May 2000. It maps out the railway network expansion plan for Hong Kong up to the year 2016. In March 2011, the Administration commissioned a consultant to conduct a study for the Review and Update of RDS 2000 with a view to updating the long-term railway development blueprint for Hong Kong's future. The study reviewed the railway schemes identified in RDS 2000 which were not yet implemented and other railway proposals suggested by the Administration or members of the public (See LC Paper Nos. CB(1)1832/11-12(02) and CB(1)595/12-13(03)).

Administration would prepare for the commissioning of PTSS to examine the medium and long-term overall arrangement of public transport services in Hong Kong. In particular, PTSS would examine the roles and long-term development potential of various public transport modes (including franchised buses, public light buses, taxis and non-franchised buses), amidst the Administration's policy to use the railway as the backbone of the public transport system and to further expand the railway network.

### Major views and concerns of Members

8. Members have been expressing concern on the public transport system<sup>2</sup> and services in Hong Kong. The major concerns of Members in respect of services of various public transport modes as well as those on the CTS are summarized in the ensuring paragraphs.

#### Public transport system and services

## Railways

9. In accordance with 2014 Policy Address, the Administration will continue to develop a transportation system centred on public transport with railway as the backbone in order to alleviate road congestion and roadside emissions. According to Chapter 13 of the Government Yearbook 2013, railways account for about 40% of daily public transport passenger travel and about 60% of land-based cross-boundary passenger trips to the Mainland.

10. Today, the entire railway system stretches 218.2 kilometres and has 84 stations and 68 Light Rail stops. The MTR Corporation Limited ("MTRCL") has an average daily patronage exceeding 4.5 million and operates nine main commuter lines serving Hong Kong Island, Kowloon and the New Territories. In addition, a Light Rail network serves the local communities in the North West New Territories, while a fleet of buses provides feeder services.

11. According to the MTRCL, it is widely recognized as the provider of a world-class public transport service that consistently achieves the highest international standards in reliability, safety and efficiency. With passengers consistently arriving at their destinations on time 99% of the time, passengers are counting on the MTR to provide fast and convenient connections to most locations in Hong Kong and beyond.

12. On 17 September 2014, the Administration announced RDS 2014 which provides a framework for planning the further expansion of Hong Kong's

<sup>&</sup>lt;sup>2</sup> According to the website of the Transport Department, a public transport system includes railways, trams, buses, minibuses, taxis and ferries.

railway network up to 2031. At its meeting on 27 October 2014, members of the Subcommittee on Matters Relating to Railways were briefed on the matter. Members noted that seven new railway projects are recommended to be implemented between 2018 and 2026 as follows –

Railway project	Indicative implementation window for planning purpose
(1) Northern Link and Kwu Tung Station	2018 - 2023*
(2) Tuen Mun South Extension	2019 - 2022
(3) East Kowloon Line	2019 - 2025*
(4) Tung Chung West Extension	2020 - 2024*
(5) Hung Shui Kiu Station	2021 - 2024*
(6) South Island Line (West)	2021 - 2026*
(7) North Island Line	2021 - 2026

Note: The timetable for the development of each railway scheme may be adjusted in the light of detailed studies, updated demand assessment and resource availability. In particular, implementation of the schemes marked with an asterisk ("\*") will be contingent upon the progress of the residential developments in the vicinity.

A map showing the alignments of these projects is in **Appendix III**.

#### Review of MTR fare

13. In April 2013, the Administration completed the five-yearly review of the fare adjustment mechanism ("FAM") with MTRCL and consulted the Panel on the outcome of the review. Members had divided views over the results of the review of FAM, which included an enhanced FAM formula and a package of proposals<sup>3</sup>. Whilst most members welcomed the new FAM because it had taken into consideration factors like the public's affordability by limiting the increase to below the corresponding change in Median Monthly Household Income; the introduction of a penalty system to ensure service performance and the public's call for profit sharing, some members considered the magnitude of the new measures too mild and urged the Administration and MTRCL to offer greater discount to frequent commuters and to increase the size of the profit sharing scheme.

14. While discussing the MTR fare increases in 2013 and 2014, members in general were against the fare increases in view of the huge profits gained by MTRCL, with the occurrence of a number of railway incidents in the past years. A few members proposed that the Administration should buy back the shares of MTRCL, so that the Administration would be free from any constraints on the matter of fare adjustment. Some members proposed that a fare stabilization

<sup>&</sup>lt;sup>3</sup> See THB(T)CR 33/1017/99.

fund should be set up to moderate the rate of MTR fare increases. *Franchised buses* 

15. In the past two legislative sessions, the Panel has discussed the fare increase applications from a bus company and the new franchise requirements for two bus companies.

16. Members raised concerns on the problem of lost bus trips and urged the Administration and bus companies to devise measures to improve their services. Members noted that to enhance the efficiency of bus services, the Administration had been making efforts to rationalize bus routes by cancelling under-utilized routes or reducing their frequencies, with a view to redirecting the resources so saved to routes with keen demand.

17. In view of the operational difficulties of bus services and the over-crowded problem of railways during peak hours, some members considered that the Administration should review the Government's policy of using railways as the backbone of Hong Kong's transport system, establish more point-to-point bus routes to meet passenger demand and to ease the load of railway during peak hours. Some members urged the Administration to provide support to franchised bus operators, such as improvement of the facilities of transport interchanges and bus stops and allowing bus companies to provide feeder service to railway stations to increase profit.

Public Light Buses ("PLBs")

18. From time to time, LegCo Members raised concern on the operational difficulties of the PLB trade and those in recruiting PLB drivers. They urged the Administration to review its policy on PLBs, establish measures to improve the financial viability and to review the role of PLBs in the public transport system. They suggested the Administration to consider converting franchised bus routes with lower patronage into green minibus ("GMB") routes, relaxing the PLB seating capacity, relaxing red minibus ("RMB") restricted zones, and converting PLB licences into taxi licences, etc.

19. The Administration advised that PLBs played an active role by, amongst others, providing feeder service to railway and other public transport interchanges. There was a cap on the total number of PLBs to avoid excessive competition and duplication of services. When planning for bus service changes, TD would take into account the existing public transport service, including the operation of PLBs, so as to enhance the overall efficiency of the road-based public transport network.

20. At the meetings of the Subcommittee on Road Traffic (Amendment) Ordinance 2012 (Commencement) Notice held in 2014, members noted that

various measures have been taken by TD to assist the PLB trade, e.g. to improve the operating efficiency through reorganization of routes and frequency adjustments; to solicit local support to implement fare adjustments to improve the financial viability of the GMB services; to provide opportunities for introducing new GMB routes; and to relax restricted zones for RMBs to pick up/drop off passengers at locations where traffic situations warrant.

### Taxis

21. In June 2013, the Panel was consulted on the taxi fare adjustment application made by the urban, New Territories and Lantau taxi trades. The majority of members supported in principle the proposal to increase the taxi fare in view of the drop of the real income of drivers and owners owing to various increased costs, and urged the Administration to ensure that the increase in taxi fare would bring about a higher income for the drivers. It was also suggested that the Administration should introduce tiered taxi service and that better-equipped taxis could be allowed to charge a higher fare. In addition, it should consider introducing a fuel surcharge as a means to mitigate increase in fuel costs instead of introducing taxi fare increases.

22. At the Panel meeting in held February 2014, members also raised concern on the alleged simultaneous use of a number of smart phones by some taxi drivers while driving. In view of the danger posed to passengers by taxi drivers who might be distracted while driving and paying attention to many mobile phones at the same time, members urged the Administration to consider tightening up the control over use of mobile phones by taxi drivers by enactment of legislation.

## Ferries

23. In May 2013 and May 2014, the Panel discussed the Administration's proposal to provide special helping measures ("SHMs") amounting to \$191 million for the six major outlying island ferry routes, which were the only means of transport for residents of outlying islands, in the next licence period from mid-2014 to mid-2017 and the fare increases of the six major outlying islands ferry routes.

24. The Panel supported the Administration's proposal to provide SHMs to ferry operators to maintain the financial viability of the ferry services. Members also urged the Administration to perform better its gate-keeping role to contain fare increases to alleviate the pressure on islanders, and revisit the possibility of allowing the operation of inner harbour ferry service to increase the income of the operators. To improve the ferry services, members made several suggestions, including introduction of fuel surcharge or fuel subsidy, purchase of vessels by the Administration and set up of a fund to stabilize outlying island ferry fares.

#### Non-franchised buses

25. From time to time, Members raised concern on the non-franchised bus services, in particular the school buses and nanny vans. In 2014, some Panel members raised concern on the inadequate supply of school bus and nanny van services and their safety matters. At the Council meetings of 9 October, 4 December 2013 and 2 July 2014, a total of three questions were raised regarding the school buses and nanny vans, including the inadequate parking spaces for these vehicles.

26. According to the Administration, the supply of student service vehicles in recent years has remained generally stable. Meanwhile, the number of students has dropped slightly in recent years. Operators or schools may, depending on demand, apply to the TD with supporting documents for increasing or adjusting the number of student service vehicles or non-franchised public buses with student service endorsement. The Government would endeavour to respond to market demand according to applications received. In addition, the Government will continue to monitor the parking need of various types of vehicles and implement measures to cater for the demand when necessary.

### Latest position

27. According to the Legislative Council Brief (Ref: THB(T)CR 3/1016/00)), the Administration will get prepared to carry out a PTSS to look into important issues relating to other public transport modes so that they would continue to complement the railway and each other. The objective is to ensure transport accessibility and choice. The future of Light Rail will also be studied. The Administration plans to brief the Panel on the workplan of PTSS at the Panel meeting to be held on 25 November 2014.

#### **Relevant papers**

28. A list of relevant papers is in **Appendix IV**.

Council Business Division 1 Legislative Council Secretariat 21 November 2014

## Press Releases

LCQ8: Comprehensive transport studies

Following is a question by the Hon Frankie Yick and a written reply by the Secretary for Transport and Housing, Professor Anthony Cheung Bing-leung, in the Legislative Council today (November 21):

#### Question:

It has been 15 years since the Transport Department commissioned the Third Comprehensive Transport Study (CTS) in August 1997. During this period, the population, the number of visitors to Hong Kong as well as the volume of cross-boundary passenger and traffic flows have grown significantly, and public demand for public transport service has also changed and increased following the development of new towns as well as the implementation of the Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities. While the residents of some districts frequently complain about the inadequacy of public transport service, some public transport operators claim that they have incurred losses year after year due to insufficient patronage and are hence under pressure to increase fares. In this connection, will the Government inform this Council:

(a) of the implementation progress of the various recommendations made in the Third CTS; whether any of the recommendations has not yet been implemented; if so, of the reasons for that; and

(b) given that the Third CTS has formulated a transport strategy up to 2016 only, whether the authorities will commence the Fourth CTS within this year or early next year to make forward planning for the development of the transport system in the 10-odd years thereafter, and to position various modes of public transport in a clearer and more specific way, so as to facilitate their healthy development; if they will, of the details of the study (including the commencement date, contents and methodology, when the study can be completed and when the transport sector and the public will be briefed on the outcome); if not, of the data or reasons based on which the authorities decide not to conduct such study at this stage, and under what circumstances the authorities will consider commencing the study?

Reply:

#### President,

The demand for transport services in Hong Kong is closely related to our socio-economic development. Population growth and community development, together with the expansion of the port and airport facilities as well as the increase in cross-boundary traffic, have resulted in an increasing traffic demand. The Government has conducted three comprehensive transport studies in the past. The last study was carried out in 1997 with the planning horizon extended to 2016. Based on the findings of this study, which was completed in 1999, the Government formulated in the same year the "Hong Kong Moving Ahead: A Transport Strategy for The Future" focusing on the following five transport strategies: (1) Better integration of transport and land use planning;
(2) Better use of railways as the backbone of our passenger transport system;
(3) Better public transport services and facilities;
(4) Better use of advanced technologies in transport management; and
(5) Better environmental protection.

My reply to the two parts of the question is as follows:

(1) The various policy recommendations covered by the "Hong Kong Moving Ahead: A Transport Strategy for The Future" promulgated in 1999 have all been implemented. The details are at Annex.

(2) Upon the completion of the Third Comprehensive Transport Study in 1999, we built up a computerised transport model. Through continuous upkeep and updating, the model has been used to produce traffic demand forecast over the territory. This has enabled us to formulate transport strategy and to implement various road infrastructure projects timely. In 2005, the Transport Department commissioned the consultancy study "Restructuring and Enhancement of the Third Comprehensive Transport Study Model". The study, which was completed in 2008, updated the model with the latest planning data and adopted an advanced modelling technique for evaluating and updating the traffic forecast up to 2021.

To further enhance the above transport model and take the latest population data into account, the Transport Department completed two territory-wide traffic surveys, namely, "Travel Characteristics Survey" and "Goods Vehicle Trips Characteristics Survey". The survey data are being analysed and the transport model will be further updated. The above assignment, which would enhance the accuracy of the traffic forecast up to 2031, is expected to be completed in 2014.

Regarding transport infrastructure, under the review mechanism of the public works programme, we conduct strategic assessments and update the forecasts of traffic demand by using the aforesaid transport model and the latest planning data in order to review the need, the scope and implementation timetable of the major highway projects every year.

Furthermore, we have been conducting thematic and regional transportation studies on a need basis, including the Study on Rationalising the Utilisation of Road Harbour Crossings; as well as the studies on impacts of new railway projects to other public transport services and the need for improving the co-ordination of different public transport modes before the commissioning of new railways.

On the other hand, the Government promulgated the "Railway Development Strategy 2000" in 2000, which formulated the development plan for Hong Kong's railway network up to 2016. We have been implementing the railway development projects proposed under the "Railway Development Strategy 2000". Out of these projects, the Kowloon Southern Link was commissioned in 2009; and five railway projects, i.e. the Guangzhou-Shenzhen-Hong Kong Express Rail Link (Hong Kong Section), West Island line, South Island line (East), Kwun Tong Line Extension and Shatin to Central Link, are being implemented in full swing. These projects will be completed progressively between 2014 and 2020. By that time, a mass transport network with great accessibility will be formed and the rail services will cover a catchment area resided by over 70% of the population of the territory.

At the same time, in response to the latest development of the community, we are conducting the review and update of "Railway Development Strategy 2000" to update the long-term railway development blueprint of Hong Kong (up to 2031). The study will review those outstanding railway projects proposed in the "Railway Development Strategy 2000", as well as other railway schemes put forward by the Government or the public. The entire study is expected to be completed in mid-2013.

The Government is currently implementing a number of major road infrastructure projects, such as the Hong Kong-Zhuhai-Macao Bridge, the Tuen Mun-Chek Lap Kok Link, Central-Wan Chai Bypass, the connecting road serving the proposed Heung Yuen Wai Boundary Control Point. At the same time, projects like Central Kowloon Route and Tseung Kwan O - Lam Tin Tunnel are under planning. It is expected that with these projects, both the domestic and cross -boundary transportation needs in the next decade could be addressed.

In sum, we keep various transport strategies under review having regard to the latest data on planning and the proposed new development areas provided by the Planning Department. We also conduct thematic and regional transportation studies from time to time. We intend to consider the direction and appropriate timing for commissioning the fourth comprehensive transport study after completing the study on Review and Update of the "Railway Development Strategy 2000" and taking into account the status of implementation of various major infrastructure projects.

Ends/Wednesday, November 21, 2012 Issued at HKT 12:03

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Annex

## Implementation status of policy recommendations under <u>the Third Comprehensive Transport Study (CTS3)</u>

Recommendations	Implementation status
(1) Integration of land use, transport and environmental planning	Regarding urban development and transport planning, we adopt an integrated approach by considering land use, transport and environment. Integrated planning of transport and urban development has been the Government's established policy, particularly for the planning of land use along railway lines. In general, we take railway stations as cores and site those facilities or developments with high traffic demand within walking distance or reach of short feeder services from the railway stations. This addresses the traffic demand and reduces road traffic.
<ul> <li>(2) According priority to railways</li> <li>(A) To develop the concept that railway should form the backbone of the future passenger transport network, with development of rail stations to synchronise with land use development; and</li> <li>(B) To provide the railway corridor travel demand for further examination by the second railway development study.</li> </ul>	The Government adopts the policy of using railways as the backbone of the passenger transport system. Based on the findings of the Second Railway Development Study, the Government announced the Railway Development Strategy 2000 in May 2000 to plan for the further expansion of Hong Kong's railway network up to 2016. In 2011, railway patronage accounted for about 38% of the local public transport services. We are now taking forward five new railway projects (i.e. the Guangzhou-Shenzhen-Hong Kong Express Rail Link (Hong Kong Section), West Island line, South Island line (East), Kwun Tong Line Extension

Recommendations	Implementation status
	and Shatin to Central Link) for
	progressive completion between 2014 and 2020.
(3) Co-ordination and enhancement of public transport services	With the railways forming the backbone of the passenger transport system, the Administration coordinates and oversees various public transport services to enhance the efficiency of the overall transport network, maintain reasonable fares, relieve traffic congestion and minimise environmental problems.
(A) To set up a network of high standard public transpor interchanges;	Upon the completion of CTS3, the Administration has completed a number of public transport interchanges (PTI), such as Tsuen Wan West Station PTI, Ping Shek PTI and Hang Hau Station PTI. We will in the future make plans for PTIs at strategic railway stations.
(B) To develop a public transport passenger information system;	Besides the "Hong Kong eTransport", individual public transport operators also provide information about travelling by public transport modes through their websites and smartphone applications.
(C) To expand the existing fare collection integration schemes; and	The Octopus card, being one of the common payment systems, has been extended to cover major public transport modes (including MTR, franchised bus, public light bus, tram and ferry).
(D) To provide for park-and-ride and kiss-and-ride activities as far as practicable.	The Government will continue to promote the Park-and-Ride Scheme to encourage people residing in relatively remote areas to drive to railway stations for interchanging

Recommendations	Implementation status
	with railways for the onward trips to the urban areas. Such stations include those in the vicinity of the portals of harbour crossings, i.e. Hong Kong Station, Kowloon Station and Hung Hom Station. At present, there are seven car parks that provide Park-and-Ride service in Hong Kong.
<ul><li>(4) Provision of transport infrastructure in a more timely fashion</li></ul>	
(A) To develop a review system to reassess the need, timing, scope and priorities or strategic highway projects before implementation, and, if confirmed, to ensure their timely implementation; and	Under the review mechanism of the public works programme, we conduct strategic assessments and update the forecasts of traffic demand by using the transport model and the latest planning data in order to review the need, the scope and implementation timetable of major highway projects every year.
(B) To pursue early conduct of the feasibility, investigation and possibly preliminary design studies for the infrastructure projects recommended in CTS-3.	successively major road projects, including Hong Kong-Shenzhen Western Corridor,

	Recommendations	Implementation status
		Kong-Zhuhai-Macao Bridge and taking forward the works at the associated road network, such as Tuen Mun to Chek Lap Kok Link.
(5)	Traffic management and application of new technologies	
	(A) To continue monitoring the growth in the vehicle fleet, and the resultant increase in highway traffic, and to act if economic growth picks up and problems start to manifest;	We have been closely monitoring the growth of the number of vehicles and taking appropriate measures, such as adjustment of the First Registration Tax in 2003 and 2011, to suppress the increasing trend.
	(B) To implement parking restraint selectively on individual merits; and	In response to the development of individual districts, we implement appropriate traffic management measures, such as parking control, restricted access of heavy vehicles and designated bus-only lanes, in order to relieve local traffic congestion.
	(C) To investigate the feasibility of various cost-effective intelligent transport system applications in Hong Kong.	Tapping into the advancement of information technology, the Transport Department has launched various intelligent transport system applications, such as the Hong Kong eTransport, Driving Route Search Service and Road Traffic Information Service. Through internet website services and smartphone applications, members of the public are provided with information about travelling by public transport modes, driving routes and real-time traffic conditions through

Recommendations	Implementation status
	Internet and mobile applications. Closed-circuit Televisions, Journey Time Indication System, Speed Map Panels as well as Traffic Control and Surveillance Systems are installed on major roads to inform the public of the road traffic conditions as earliest as possible.
	The Transport Department is developing a Traffic and Incident Management System to enhance, through the use of advanced technology, the efficiency and effectiveness in managing traffic and transport incidents, and in disseminating traffic and transport information to the public.
(6) Planning for Pedestrians	
<ul> <li>(A) To strengthen existing planning guidelines to develop the concept of planning around pedestrians in new areas and redevelopments;</li> <li>(B) To enhance the pedestrian mode in developed areas; and</li> </ul>	In Hong Kong, there are now 7 full-time and 31 part-time pedestrian schemes and over 40 traffic calming schemes, providing a safe environment for walking. Also, we develop suitable pedestrian crossings to cater for the needs of the area concerned and local residents, including footbridge and subway networks, so as to provide the most favourable walking environment. To enhance pedestrian safety, promote walking as a transport mode and improve the overall walking environment, the Transport Department has implemented pedestrian improvement schemes in Causeway Bay, Mong Kok, Tsim Sha Tsui, Central, Wanchai, Sham Shui Po, Jordan, Stanley, the Peak, North Point, Sheung Shui and Yuen Long. They

	Recommendations	Implementation status
		are generally welcomed by the public.
	(C) To plan and provide cycleways in new towns and rural areas, where appropriate and possible.	If circumstances permit, we will provide cycle tracks and ancillary facilities so that the public may ride safely for leisure or travel. We are developing a 105km long cycle track network in the New Territories, including the main section between Ma On Shan in the east and Yuen Long/Tuen Mun in the west via Sha Tin, Tai Po, Fanling and Sheung Shui, and the main section from Tsuen Wan to Tuen Mun.
(7)	Environmental Improvement Measures To proceed with the following proposed improvement measures:	
	<ul><li>(A) Improvement of vehicle emission standards to Euro III;</li></ul>	Starting from June 2012, the Government has required all newly registered vehicles to comply with the Euro V emission standard.
		The revised emission standard for a tighter control over diesel vehicles has become effective from 1 May 2008, with the previous 60 Hartridge Smoke Units (HSU) tightening to 50 HSU. The statutory requirement for mandatory use of Euro V diesel has taken effect from 1 July 2010.
	(B) Use of Liquefied Petroleum Gas (LPG) for taxis; and	At present, almost all taxis and 66% public light buses are fuelled by LPG. There are total 61 LPG filling stations in various districts.

Recommendations	Implementation status
	Since the provision of a one-off grant to incentivise taxi owners to replace their diesel vehicles with LPG ones, there were very few diesel taxis imported for registration in Hong Kong. The legislation to prohibit the import of diesel taxis into Hong Kong has been effective since 1 August 2001.
(C) Improvement of emission standards for new motorcycles.	Starting from January 2007, all newly registered motorcycles are subject to tighter control under Euro III emission standard.
To consider other possible improvement measures for further feasibility study, including :	
(A) Expanded river trade terminal operation;	The Administration has taken the recommendation into consideration but is of the view that the expansion of river trade terminal operation is not necessary for the time being, given that the river trade terminal can generally meet the demand. Notwithstanding, the situation will be monitored and reviewed from time to time.
(B) Freight rail;	The Government has taken the recommendation into consideration but is of the view that further development of the Port Rail Line is not suitable given the continuous decrease in rail freight volume. The Mass Transit Railway Corporation Limited ceased the rail freight service in 2010.

Recommendations	Implementation status	
(C) Alternative fuels;	Many types of vehicles, such as environment-friendly petrol cars, electric cars, LPG taxis and public light buses, have switched to alternative fuels. The Government will also fund the trial use of hybrid and electric buses by franchised bus companies.	
	<ul> <li>Also, the Government promotes the switch from diesel to LPG or electricity and implements the following measures:</li> <li>(i) replacing diesel taxis with LPG ones;</li> <li>(ii) providing LPG filling stations;</li> <li>(iii) launching LPG/electric light bus subsidy schemes; and</li> <li>(iv) replacing pre-Euro, Euro I and Euro II diesel commercial vehicles.</li> </ul>	
(D) Tailpipe emission reduction measures;	<ul> <li>Emission reduction measures already in place include:</li> <li>(i) subsidising taxi and light bus owners to replace their diesel vehicles with LPG ones, and requiring by law in 2001 that all newly registered taxis shall use LPG or petrol. At present, almost all taxis, 66% public light buses and 24% private light buses are fuelled by LPG;</li> <li>(ii) subsidising pre-Euro diesel commercial vehicles to be retrofitted with particulate reduction devices, and requiring by law in 2003 that the installation of such devices shall be one of the pre-requisites for licence renewal;</li> <li>(iii) providing in 2007 and 2010 one-off</li> </ul>	
	grants to incentivise pre-Euro, Euro I	

Recommendations	Implementation status	
	and Euro II diesel commercial vehicle owners to replace their vehicles with new ones which comply with the prevailing emission standards for first registration;	
	<ul> <li>(iv) implementing the most stringent standards for motor fuel and vehicle emission as far as practicable. The latest measures are:</li> <li>Euro V standards for motor diesel and unleaded petrol have been in force since July 2010;</li> </ul>	
	<ul> <li>starting from June 2012, newly registered vehicles have to comply with the Euro V vehicle emission standard;</li> </ul>	
	<ul> <li>(v) launching tax incentive schemes in 2007 and 2008 for environmentally- friendly petrol private cars and commercial vehicles seeking first registration to encourage the use of greener vehicles;</li> </ul>	
	<ul> <li>(vi) setting up the \$300 million Pilot Green Transport Fund in March 2011 to encourage the trade to introduce greener and more innovative transport technologies, and to use low-emission and energy-efficient transport;</li> </ul>	
	<ul> <li>(vii) conducting a trial with franchised bus companies on retrofitting Euro II and III franchised buses with selective catalytic reduction devices to reduce the emissions of nitrogen oxides;</li> </ul>	
	(viii) including in the three new bus franchises granted in April 2012 a requirement that the franchisees have to acquire the most environment-	

Recommendations	Implementation status
	<ul> <li>friendly buses that meet the operational needs in the market when procuring new buses; and</li> <li>(ix) implementing since December 2011 the Motor Vehicle Idling (Fixed Penalty) Ordinance.</li> </ul>
(E) More stringent noise emission standards;	Standards were revised in 2002 to tighten the control on vehicle noise emission.
(F) Engine encapsulation;	Studies indicate that engine encapsulation is not very effective in reducing vehicle noise. Improvement will be sought subject to future technological advancement.
(G) Low noise road surface;	The Administration has paved 59 local road sections with low noise surfacing materials.
(H) Retrofitting existing roads (e.g. noise barriers); and	The Administration has decided to install noise barriers at 17 road sections, with 8 of them completed.
(I) Alternative vehicle types such as fuel-efficient vehicles.	As mentioned above, other vehicle types such as environment-friendly petrol taxis and electric cars are successively introduced. The Government will fund the trial use of hybrid buses and electric buses by franchised bus companies.

**Appendix II** 

**政府總部** 運輸及房屋局 運輸科 香港添馬添美道2號 政府總部東翼

本局檔號 Our Ref. 本函檔號 Your Ref.



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> > 17 July 2014

[English translation for reference only]

Hon. CHAN Kam-lam Chairman, Panel on Transport Legislative Council Complex 1 Legislative Council Road Central Hong Kong

Dear Chairman,

I note that an agenda item for the meeting on 18 July 2014 is the "Proposal to set up a subcommittee to discuss the future Comprehensive Transport Study in Hong Kong". I am writing to provide some information on my bureau's plan to commission a study on public transport strategy ("the Study") in the near future for reference by the Panel on Transport.

The Third Comprehensive Transport Study ("CTS-3") completed in 1999 has mapped out some broad directions with respect to the overall arrangement for the transport system. They include better integration of transport and land use planning; better use of the railway as the backbone of our passenger transport system; better public transport services and facilities; better use of advanced technologies in transport management; and better environmental protection. The Government is of the view that these broad directions remain valid from the policy perspective. Meanwhile, we have just - 2 -

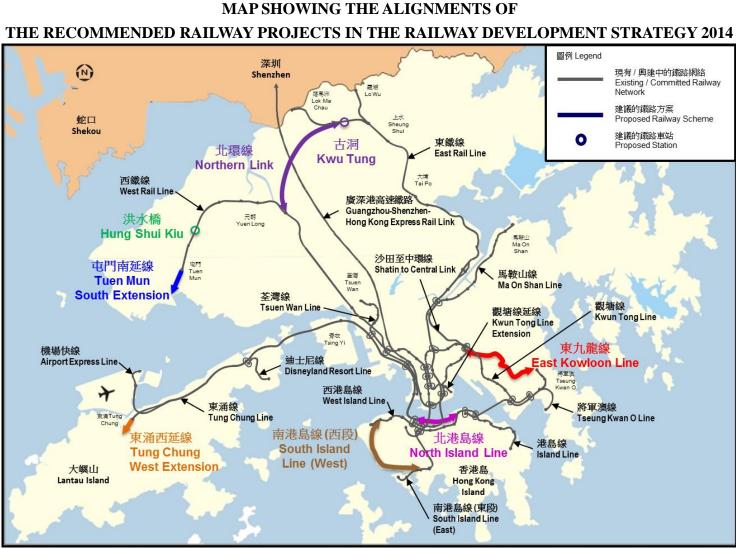
completed the study for the Review and Update of the "Railway Development Strategy 2000". The Government has therefore no intention to commission a CTS-4 at this stage. Nevertheless, the overall arrangement of our public transport services should indeed be reviewed systemically and in detail in tandem with the development of the railway network. In this connection and as I have mentioned at the Legislative Council earlier, after the release of the blueprint for post-2020 railway development later this year, we shall prepare for the commissioning of the Study to examine the medium and long-term overall arrangement of public transport services in Hong Kong. In particular, the Study will examine the roles and long-term development potential of various public transport modes (including franchised buses, public light buses, taxis and non-franchised buses), amidst our policy to use the railway as the backbone of our public transport system and to further expand the railway network. The objective is to ensure complementarity among the different public transport modes, while affording the community reasonable modal choices.

As regards the seven items mentioned by Hon. WONG Kwok-hing and Hon. TANG Ka-piu in their letter dated 30 June, items (1), (4) and (7) (relating to development potential and roles of different transport modes as well as the Government's regulatory regime) will be examined when the roles of different public transport modes are reviewed under the Study. As one of the focuses of the Study would be on the long-term development potential and positioning of different public transport modes to allow the travelling public to continue to have multi-modal choices, the issues of operating costs faced by the operators, source of passengers, etc. would be covered. This, to a certain extent, should address items (2), (3) and (6) (relating to supporting facilities, operating costs, fare levels, etc.) of the abovementioned letter. If Members have specific proposals on the abovementioned areas, we stand ready to prepare papers for Member's discussion at the Panel.

For issues relating to air quality (including energy and vehicle emission as mentioned in item (5) of the abovementioned letter), they are basically under the purview of the Panel on Environmental Affairs. Our view is that it would be more appropriate for these issues to continue to be followed up through that channel. Upon commencement of the Study, we shall report progress to the Panel on Transport and listen to Members' views at an appropriate juncture. We shall also engage the industry and public in the process. We consider it more appropriate to adhere to the established approach to brief Members on the relevant issues covered by the Study at the Panel and exchange views with Members.

> Yours sincerely, (signed) Secretary for Transport and Housing

c.c. Commissioner for Transport



# Public transport strategy in Hong Kong

# List of relevant papers

Date of meeting	Panel/Committee	Minutes/Paper	LC Paper No.
21.11.2012	Council Meeting	Hon Frankie YICK raised a question on comprehensive transport studies	http://www.info.gov.hk/gia/ general/201211/21/P201211 210226.htm
-	Panel on Transport ("TP")	Report of the Panel on Transport for submission to the Legislative Council	CB(1)1452/12-13 <u>http://www.legco.gov.hk/yr1</u> <u>2-13/english/panels/tp/report</u> <u>s/tp0717cb1-1452-e.pdf</u>
9.10.2013	Council Meeting	Hon MA Fung-kwok raised a question on supply of school bus service	http://www.info.gov.hk/gia/ general/201310/09/P201310 090218.htm
4.12.2013	Council Meeting	Dr Hon Elizabeth QUAT raised a question on student transport service	http://www.info.gov.hk/gia/ general/201312/04/P201312 040256.htm
11.12.2013	Council Meeting	Motionon"Enhancingtherailway service in theNorthwestNewTerritories"	http://www.legco.gov.hk/yr1 3-14/english/counmtg/motio n/cm1211-m2-wordings-e.p df
		Progress Report	http://www.legco.gov.hk/yr1 3-14/english/counmtg/motio n/cm1211-m2-prpt-e.pdf
-	TP	Letter dated 13 January 2014 from Hon WU Chi-wai on the operation of public light buses	CB(1)737/13-14(01) <u>http://www.legco.gov.hk/yr1</u> <u>3-14/chinese/panels/tp/paper</u> <u>s/tpcb1-737-1-c.pdf</u>

Date of meeting	Panel/Committee	Minutes/Paper	LC Paper No.
		Administration's response	CB(1)1038/13-14(01) http://www.legco.gov.hk/yr1 3-14/english/panels/tp/paper s/tpcb1-1038-1-e.pdf
-	TP	Letter dated 16 January 2014 from Hon Gary FAN on the operation of public light buses Administration's response	CB(1)737/13-14(02) http://www.legco.gov.hk/yr1 <u>3-14/chinese/panels/tp/paper</u> s/tpcb1-737-2-c.pdf CB(1)1038/13-14(02) http://www.legco.gov.hk/yr1 <u>3-14/english/panels/tp/paper</u>
	TD		<u>s/tpcb1-1038-2-e.pdf</u>
-	TP	Letter dated 27 January 2014 from Dr Hon Elizabeth QUAT on the shortage problem of parking spaces for school buses and nanny vans	CB(1)913/13-14(01) http://www.legco.gov.hk/yr1 <u>3-14/chinese/panels/tp/paper</u> s/tpcb1-913-1-c.pdf
		Administration's response	CB(1)1069/13-14(01) http://www.legco.gov.hk/yr1 3-14/english/panels/tp/paper s/tpcb1-1069-1-e.pdf
-	TP	Letter dated 11 March 2014 from Hon Gary FAN on nanny van services and student service vehicle safety	CB(1)1114/13-14(01) http://www.legco.gov.hk/yr1 3-14/chinese/panels/tp/paper s/tpcb1-1114-1-c.pdf

Date of meeting	Panel/Committee	Minutes/Paper	LC Paper No.
		Administration's response	CB(1)1307/13-14(01) <u>http://www.legco.gov.hk/yr1</u> <u>3-14/english/panels/tp/paper</u> <u>s/tpcb1-1307-1-e.pdf</u>
2.7.2014	Council Meeting	Hon CHAN Hak-kan raised a question on provision of school bus services	http://www.info.gov.hk/gia/ general/201407/02/P201407 021871.htm
18.7.2014	TP	Administration's letter in response to the agenda item on "Proposal to set up a subcommittee to discuss the future Comprehensive Transport Study in Hong Kong"	CB(1)1830/13-14(01) http://www.legco.gov.hk/yr1 3-14/english/panels/tp/paper s/tp0718cb1-1830-1-e.pdf
-	TP	Report of the Panel on Transport for submission to the Legislative Council	CB(1)1728/13-14 http://www.legco.gov.hk/yr1 <u>3-14/english/panels/tp/report</u> <u>s/tp0709cb1-1728-e.pdf</u>
27.10.2014	Subcommittee on Matters Relating to Railways	Legislative Council brief on Railway development strategy 2014	THB(T)CR 3/1016/00 <u>http://sobfle02.legco.hksar/s</u> <u>haredoc/r&amp;d/Railway_Devel</u> <u>opment_Strategy_2014-e.pd</u> <u>f</u>

Date of meeting	Panel/Committee	Minutes/Paper	LC Paper No.
		Administration's paper on Railway Development Strategy 2014	CB(1)2012/13-14(01) <u>http://www.legco.gov.hk/yr1</u> <u>3-14/english/panels/tp/tp_rd</u> <u>p/papers/tp_rdpcb1-2012-1-</u> <u>e.pdf</u>
		Background brief on railway development strategy	CB(1)2012/13-14(02) http://www.legco.gov.hk/yr1 3-14/english/panels/tp/tp_rd p/papers/tp_rdpcb1-2012-2- e.pdf
31.10.2014	House Committee	ReportoftheSubcommittee onRoadTraffic(Amendment)Ordinance2012(Commencement)Notice	CB(1)110/14-15 <u>http://www.legco.gov.hk/yr1</u> <u>4-15/english/hc/papers/hc20</u> <u>141031cb1-110-e.pdf</u>

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