

立法會
Legislative Council

LC Paper No. CB(4)1321/15-16
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by the Administration)

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Panel on Transport

**Minutes of meeting held on
Friday, 15 April 2016, at 10:30 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 CHAN Hak-kan, JP
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip
Hon WONG Yuk-man
Hon Claudia MO
Hon Frankie YICK Chi-ming, JP
Hon YIU Si-wing, BBS
Hon Gary FAN Kwok-wai
Hon Charles Peter MOK, JP
Hon CHAN Han-pan, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Dr Hon KWOK Ka-ki
Dr Hon Elizabeth QUAT, JP
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Alvin YEUNG Ngok-kiu

Members absent : Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Mrs Regina IP LAU Suk-yeet, GBS, JP
Hon WU Chi-wai, MH
Hon Tony TSE Wai-chuen, BBS

Public Officers attending : **Agenda item IV**

Professor Anthony CHEUNG, GBS, JP
Secretary for Transport and Housing

Mr Andy CHAN, JP
Deputy Secretary for Transport and Housing
(Transport)2

Mr Philip HAR
Principal Assistant Secretary for Transport and
Housing (Transport)4

Mrs Ingrid YEUNG, JP
Commissioner for Transport

Ms Macella LEE, JP
Assistant Commissioner for Transport/
Management and Paratransit

Agenda item V

Professor Anthony CHEUNG, GBS, JP
Secretary for Transport and Housing

Mr Andy CHAN, JP
Deputy Secretary for Transport and Housing
(Transport)2

Miss Carrie CHANG
Principal Assistant Secretary for Transport and
Housing (Transport)1

Mrs Ingrid YEUNG, JP
Commissioner for Transport

Ms Macella LEE, JP
Assistant Commissioner for Transport/
Management and Paratransit

Agenda item VI

Ms Cordelia LAM
Principal Assistant Secretary for Transport and
Housing (Transport)2

Ms Macella LEE, JP
Assistant Commissioner for Transport/
Management and Paratransit

Mr CHAN Ping-sun
Chief Engineer/Project
Electrical and Mechanical Services Department

Mr Edmond CHEONG
Senior Engineer/Project 4
Electrical and Mechanical Services Department

Mr Edward MOK
Senior Engineer/Project 6
Electrical and Mechanical Services 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 the last meeting

- (LC Paper No. CB(4)779/15-16(01) - Letter from Hon Gary FAN Kwok-wai on the concern of the impact of employing a large pool of part-time bus drivers by The Kowloon Motor Bus Company (1933) Limited)

Members noted the above paper issued since the last meeting.

II. Items for discussion at the next meeting on 20 May 2016

- (LC Paper No. CB(4)831/15-16(01) - List of outstanding items for discussion

LC Paper No. CB(4)831/15-16(02) - List of follow-up actions)

2. Members agreed to discuss the following items at the next regular meeting to be held on 20 May 2016 –

- (a) MTR fare adjustment for 2016;
- (b) Installation of traffic detectors; and
- (c) Renewal of driving licences.

3. The Chairman said that there would be two scheduled regular meetings left in the remaining legislative year. However, there were still a few items on the list of outstanding items to be discussed. He said that while the Administration had reflected to him that some of the items were not ready for discussion in the current legislative year, such as "Review on fare adjustment arrangement for franchised buses" and "Car parking spaces in urban areas", he suggested requesting the Administration to add more items for discussion at the remaining regular meetings or discussing the remaining items at a special meeting. Mr CHAN Kam-lam and Mr Gary FAN agreed to the Chairman's suggestion.

4. Mr WONG Kwok-hing requested that the Chairman of the Board of the MTR Corporation Limited ("MTRCL") should be invited to attend the next meeting when the item on "MTR fare adjustment for 2016" would be discussed. Members raised no objection.

(Post-meeting note: The next regular meeting was subsequently rescheduled to 23 May 2016.)

III. Matter arising from the meeting on 23 March 2016

(LC Paper No. CB(4)778/15-16(01) - Wording of a motion relating to the provision of hillside escalator links and elevator systems, footbridges and elevated walkways to be moved by Hon CHAN Han-pan)

5. The Chairman recalled that Mr CHAN Han-pan raised a motion when the Panel on Transport ("Panel") was discussing the agenda item on "Provision of Hillside Escalator Links and Elevator Systems, footbridges and elevated walkways" ("escalator links systems") at the last meeting on 23 March 2016. However, due to insufficient time and quorum, the Panel agreed to deal with the motion at the next meeting.

6. Mr WONG Kwok-hing indicated support to the motion. He considered that if a dedicated fund was set up to finance the escalator links systems, the implementation of them would not be easily affected by the filibustering activities in the Finance Committee.

7. Mr CHAN Kam-lam considered the suggestion of setting up a dedicated fund reasonable and in line with the arrangement of implementing the "Universal Accessibility" Programme. He also suggested providing escalator links systems at those public housing and private estates situated on slopes to facilitate residents.

8. Ir Dr LO Wai-kwok said that he was a member of the Housing Authority ("HA") and noted that HA attached great importance to provision of barrier free access to the newly constructed public housing estates. He indicated his support to the motion as it would minimize administrative procedures. He considered that by setting up the dedicated fund, the public and the Legislative Council could still monitor the progress of providing escalator links systems through different channels.

9. Mr LEUNG Che-cheung expressed support for the motion and hoped that the dedicated fund would help accelerate the progress of installing escalator links systems.

10. Mr YIU Si-wing also indicated support for the motion. However, he was concerned over how the amount of \$5 billion for the dedicated fund was determined and the validity of the fund. Mr CHAN Han-pan explained that the amount of \$5 billion was estimated based on the assumption that there were 20 escalator link systems to be installed and each cost about \$0.25 billion. He hoped that the fund would be able to finance all projects on the list.

11. The Chairman agreed to the suggestion made in the motion. However, he was concerned over whether or not there were enough practitioners in the industry to implement the projects and whether the proposed amount was adequate to finance all the costs. He added that since he was the Chairman of the Panel, he would not vote on the motion following the past practice.

12. After discussion, Mr CHAN Han-pan moved the following motion, which was seconded by Dr Elizabeth QUAT –

"本委員會要求政府成立50億元上坡地區升降機及扶手電梯基金，並要求政府採取措施加快推行相關工程。"

(Translation)

"That this Panel requests the Administration to set up a \$5 billion Hillside Elevator and Escalator Fund, and requests the Administration to take measures to expedite the works concerned."

13. At the request of Mr WONG Kwok-hing, the Chairman ordered a division. Nine members voted for, no member voted against it and no member abstained from voting. The votes of individual members were as follows:

For

Mr CHAN Kam-lam
Mr WONG Kwok-hing
Mr Frankie YICK
Mr YIU Si-wing
Mr CHAN Han-pan
(9 members)

Mr LEUNG Che-cheung
Mr POON Siu-ping
Ir Dr LO Wai-kwok
Mr Christopher CHUNG

Against

(0 member)

Abstain
(0 member)

14. The Chairman declared that the motion was carried.

IV. Public Transport Strategy Study — Topical Study — Mid-term review for ferry services of the current licence

(LC Paper No. CB(4)831/15-16(03) - Administration's paper on Public Transport Strategy Study — Topical Study — Mid-term review for ferry services of the current licence period

LC Paper No. CB(4)831/15-16(04) - Paper on outlying island ferry services prepared by the Legislative Council Secretariat (updated background brief)

LC Paper No. CB(4)867/15-16(01) - Submission from Cheung Chau Kai-fong Society on mid-term review for ferry services of the current licence)

15. At the invitation of the Chairman, Secretary for Transport and Housing ("STH") briefed members on the outcome of the mid-term review on the Government's provision of Special Helping Measures ("SHM") to six major outlying island ferry routes ("the six routes") for the current licence period since mid-2014 ("Mid-term Review").

Licence

16. Mr WONG Kwok-hing, Mr CHAN Kam-lam, Mr Frankie YICK and Mr CHAN Han-pan opined that the current three-year licence duration for ferry services should be lengthened to encourage long term investment by ferry operators. Mr WONG suggested that the licence should be lengthened to at least five years or ideally ten years whereas Mr CHAN Kam-lam and Mr CHAN Han-pan considered that it should be lengthened to ten years. Mr CHAN Han-pan added that there should be a mid-term review during the ten-year licence period.

17. STH explained that the licence period was regulated by the law and any change to the licence period would require legislative amendment. He advised that the Administration would look into whether the current three-year licence period was too short, and whether it would hold the ferry operators back from making longer term planning.

18. Mr WONG Kwok-hing and Mr CHAN Han-pan indicated their support to the Administration's plan to extend the current licences of the six routes. Mr WONG explained that the main reason was that he anticipated that there would unlikely be any new operators entering into the market to provide such service.

19. Mr LEUNG Che-cheung urged the Administration to study whether it would be better to replace ferry service licence with franchise, as a franchise would be more conducive to long-term investment by operators and would facilitate the Government in monitoring the profits of ferry operators and fares of ferry services. He asked whether the Administration had studied the best option to grant the right of operating ferry services.

20. In response, STH said that different options to grant operating right of ferry services would entail different regulatory arrangements. Experience told that there would unlikely be new operators entering into market to provide ferry service and that bidders might request hefty fare increase in open tender. He said that the main problem faced by the ferry service sector was not ferry operators earning a lot of money but ferry operators being unwilling to provide ferry services due to financial unviability.

Sharing profits with passengers and fare concessions

Sharing profits with passengers

21. Mr Frankie YICK declared that he was a Director of The "Star" Ferry Company, Limited. He noted that in the past decade, the patronage of public transport had increased by 13% whereas that of ferries had dropped by 13%, reflecting the difficulties in operating ferry services and he considered that provision of SHM was necessary. He welcomed that the act of the two ferry operators of the six routes to share their windfall profit with passengers brought by the fall in oil price through fare concession. Mr LEUNG Che-cheung also supported the provision of fare concessions by the ferry operators to passengers.

22. Mr YIU Si-wing asked whether there had been an increase in the annual patronage of the six routes since 2011; the amount of profit increase

as a result of increase in patronage; information on oil price changes in recent years and the amount of savings brought to ferry operators as a result of the fall in oil price. He also enquired whether the Administration would consider establishing a cap on the profits earned by ferry operators and then require them to offer to passengers the exceeded profits for provision of fare concessions to passengers.

Admin

23. STH explained that when SHM were implemented in the current three-year licence period, the Government had no specific discussion or agreement with the operators on what the arrangement should be if the projected profit margins would in time show to be wide of the mark. He added that the ferry operators had recorded a profit mainly because of the fall in oil price, which contributed to the windfall profit of around 60%. STH added that with the experience gained so far in the current licence period, the Administration would work out a mechanism for application in the next licence period to deal with possible windfall profit. He agreed to provide supplementary information to Mr YIU Si-wing regarding the patronage of the relevant ferry operators and oil prices in recent years.

24. The Chairman expressed concern that while a one-off and time-limited fare concession would be provided to passengers in the middle of the current licence period, the relevant ferry operators might seek to increase fares in the remaining licence period in case the oil price went up again. In his view, maintaining fare stability was important to residents of outlying islands. Since patronage and oil price were factors beyond the control of ferry operators, he suggested setting up a fare stabilization fund such that ferry operators could deposit the exceeded profits to the fund and withdraw money from it when they were facing a deficit.

25. In reply, STH said that it was necessary to study whether SHM should be made a permanent measure to maintain the viability of ferry services and fare stability for the long term. He added that there was a passenger reward arrangement in place for franchised buses but not for ferry services.

26. Noting that the two ferry operators only agreed to share the windfall profit with passengers on a 50:50 basis, Mr LEE Cheuk-yan considered that the difference between actual profit and original projected profit margins in full should be shared with passengers.

27. STH said that during the first 18 operating months of the current licence period, the two ferry operators had achieved profit margins that were higher than their original projected profit margins. However, the profit margins were not guaranteed in the remaining 18 operating months. He

explained that at the time of providing SHM to ferry operators in the current licence period, there were no signs indicating that the oil price would fall. As such, the Government had no specific discussion or agreement with the operators on what the arrangement should be if the projected profit margins would in time show to be wide of the mark.

28. Commissioner for Transport ("C for T") supplemented that while the oil price adjustment had largely contributed to the windfall profit (around 60%), efforts made by the operators in increasing their non-fare box revenue and achieving efficiency gains, which accounted for some 40% of the windfall profit, were also contributing factors. To give operators an incentive to continue to operate ferry services in the most cost-effective and efficient way, and to generate as much non-fare box revenue as possible, there were grounds for ferry operators to keep a part of the windfall profit.

29. Mr Christopher CHUNG considered that instead of providing a one-off and time-limited fare concession, ferry operators should reduce the fares directly as it was not anticipated that the oil price would go up in the near future. In his view, if ferry operators were not financially viable in the remaining licence period, SHM could be provided to them or they could increase fares.

30. STH explained that the fare level within the licence period should be stable. If SHM were not provided to the six routes, the Administration would not request the relevant ferry operators to share their profits with passengers. He pointed out that the Administration should respect the terms agreed under the existing licence. The current arrangement of providing a one-off and time-limited fare concession was the best arrangement after negotiation with the relevant ferry operators.

Fare concessions or subsidies

31. Mr WONG Kwok-hing said that residents of Cheung Chau and the Lantau Island had been reflecting that their transportation fees were very high. He hoped that the Administration would provide subsidies to them in this regard.

32. Mr CHAN Han-pan hoped that the two ferry operators would cooperate with MTRCL to provide fare concessions for ferry—railway interchange and reduce fares in the new licence period.

33. Mr LEUNG Kwok-hung considered that monthly pass should be offered to outlying island residents to ensure that frequent travellers would benefit from fare concessions.

34. Ir Dr LO Wai-kwok called on the Administration to consider the suggestion of providing half-price tickets to students when it negotiated with the relevant operators on extension of licence. Mr YIU Si-wing concurred with Ir Dr LO.

35. STH took note of the above views. He pointed out that fare concessions offered to students fell under the Student Travel Subsidy Scheme which was under the purview of the Education Bureau.

Measures to improve the financial viability of ferry operators

36. Mr WONG Kwok-hing recalled that the Administration had proposed in mid-2013 to construct additional floors at Central Piers Nos. 4 to 6 ("additional floors proposal") so that ferry operators could use the floors for commercial or retail activities to generate more non-fare box revenue for cross-subsidizing the operation of the six routes. The proposal was however turned down by the Public Works Subcommittee of the Finance Committee. He hoped that the Administration would reconsider the proposal to improve the financial viability of the concerned ferry routes.

37. STH said that having regard to Members' concerns, the Administration was reconsidering whether the proposal of providing rental income for subsidizing the operations of the six routes was still feasible and desirable. It would consider the issue in conjunction with the matters related to subsidy and licence period in deciding the most suitable permanent subsidy model for maintaining the viability of ferry services and achieving fare stability in the long term.

38. Mr CHAN Kam-lam considered that to maintain the financial viability of ferry services in the long run, it was important to have steady patronage of the service. He suggested the Administration speed up the plan of selling lands at some outlying islands to increase population and hence increase the patronage of outlying island ferry routes.

39. STH noted the suggestion of Mr CHAN and said that the Administration was considering long term measures to maintain the financial viability of ferry routes while maintaining the fare at a level affordable by the public.

Ferry services

40. Ir Dr LO Wai-kwok considered that the service and fares of outlying island ferry routes should satisfy the needs of island residents. He and Mr CHAN Han-pan expressed concern that the increasing patronage of the "Central—Cheung Chau" ferry route had brought much inconvenience to Cheung Chau residents in particular during public holidays. They asked whether a designated passage at ferry piers could be set up for outlying island residents such that their normal travelling would not be affected by other passengers including tourists. They urged the Administration to include the above suggestion in the negotiation with the relevant ferry operators on extension of licence. Mr CHAN further suggested that a trial scheme could first be launched to provide a designated passage for monthly ticket holders and holders of return tickets.

41. Mr YIU Si-wing, however, remarked that although tourists might have affected the ferry service provided to island residents to a certain extent, tourists could increase the patronage and hence revenue of ferry operators. As such, he considered that ferry operators should adjust their service frequency having regard to the number of passengers.

Admin

42. In reply, STH said that the Administration noted that the patronage of the "Central—Cheung Chau" route was high, with an average patronage of about 26 000 passenger trips per day in 2015. He agreed to provide information on the suggestion of setting up a designated passage for island residents in due course.

43. C for T supplemented that for the Easter holiday in 2016, the New World First Ferry Services Limited ("NWFF") had provided a total of 81 additional sailings (two-way) of the route to carry passengers. In particular, NWFF operated a total of 32 additional sailings on 27 March 2016, which was the busiest day of the said period. During the peak hours on 27 March 2016, ferries were arranged to carry passengers to/from Cheung Chau at an interval of 12 minutes on average. During the recent Ching Ming Festival, ferries were arranged to carry passengers to/from Cheung Chau at an interval of around 12 to 15 minutes. The longest queuing time (from a passenger starting to join the queue to arriving at the turnstiles) was about 19 minutes whereas in some other occasions a passenger could gain access to the turnstiles direct without queuing. Therefore, in general, the relevant ferry services could meet the passenger demand.

44. Regarding the suggestion of setting up a designed passage for Cheung Chau residents, C for T advised that the Transport Department ("TD") had

discussed the suggestion with NWFF in 2015 and noted that there were difficulties in implementation. When discussing the proposal with Cheung Chau residents at that juncture, a consensus had not been reached on the detailed arrangements. Nevertheless, she undertook that TD would continue to discuss the matter with NWFF and Cheung Chau residents.

45. Mr POON Siu-ping noted that in the first operating year of the current three-year licence period of the six routes (i.e. from mid-2014 to mid-2015), a total of 193 complaints were received by TD on their services. He asked about the types of complaints and the follow up actions taken by ferry operators.

46. Assistant Commissioner for Transport/Management and Paratransit ("ACT/M&P") advised that those complaints were mainly related to daily operation, such as ferry frequency, provision of additional ferry services at night, and arrangement of fast and ordinary ferry services. She added that TD had been listening to the views of the relevant District Council and liaising with ferry operators on service enhancement.

47. Mr Albert CHAN declared that he was a frequent traveller on the outlying island ferry routes. He requested the Administration to discuss with ferry operators to improve their services, including increasing the frequencies on days with higher patronage, such as on sunny days, public holidays and days of special events; providing luggage racks on ferries, in particular the "Central—Mui Wo" route; and providing single type operation to replace the current mixed fleet of ordinary and fast ferries. He also requested that a public hearing should be held to receive public views on ferry services. STH agreed to provide the Administration's response to Mr CHAN's suggestions.

Admin

48. Dr KWOK Ka-ki considered that under the current mechanism of issuing licence for ferry services, ferry operators had no incentives to replace ordinary ferries with fast ferries which were welcome by passengers. He also expressed concern over the old and outdated facilities at the piers of outlying island ferry routes.

49. C for T said that TD was aware of the demand from Cheung Chau residents for more fast ferry service. She admitted that the current licence period of only three years might hinder the ferry operators from making huge investment such as procuring new ferries. As such, the Administration was considering whether it was appropriate to extend the licence period to encourage ferry operators to invest more to improve services. In respect of pier facilities, she said that TD was aware that the pier facilities in Cheung

Chau might not be able to meet the demand. However, the relevant works department found it difficult to identify a suitable place for construction of a new pier. Nevertheless, she undertook that TD would continue to follow up the matter.

Special Helping Measures

50. Mr Frankie YICK considered that while SHM were provided to the six routes, the Administration should also give thought to providing financial assistance to kaito. C for T said that the services and fares of kaito were not regulated given its low patronage. As such, kaito operators could adjust their service and fares having regard to their operational costs. TD considered the current arrangement satisfactory.

51. Mr POON Siu-ping noted that the Government would conduct a study which was expected to be completed within 2017 on the requests for expanding SHM to the remaining eight outlying island ferry routes. He expressed concern over the long period of time required to conduct the study. He also asked whether consultants would be engaged to conduct the study.

52. STH advised that SHM had been providing to the six routes because there was basically no alternatives to the ferry services as a means of public transport, and short of SHM, the ferry services could not be maintained without periodic hefty fare increases. For the suggestion of providing SHM to the remaining eight outlying island ferry routes, the Administration would engage a consultant to help conduct the study, which would cover a number of factors, including the operating environment and financial situation of each of the eight routes. He added that the relevant work of the study had already commenced.

53. Mr CHAN Han-pan pointed out that although there was road access to Mui Wo and the patronage of the "Central—Cheung Chau" route was high, SHM were still provided to ferry routes connecting Mui Wo and Cheung Chau. He called on the Administration to provide SHM to the other eight outlying island ferry routes, in particular the routes serving Discovery Bay and Ma Wan. He particularly pointed out that although the fares of the "Discovery Bay—Central" route were exceedingly high, the route was still not financially viable.

54. STH advised that the Administration would study whether SHM should continue to be offered to the six routes and whether SHM should also be provided to the other eight outlying island ferry routes.

55. Mr LEUNG Kwok-hung considered that subsidies should be provided to outlying island ferry routes and MTRCL should use its profits to subsidize ferry operation as it benefited from the Government's transport policy. He was also concerned how the amount of SHM was calculated as the oil prices fluctuated from time to time. He also suggested that the Administration might consider granting the right to outlying island hotels to provide ferry services for their guests.

56. STH noted the views of Mr LEUNG and advised that the Administration would study the mechanism of providing SHM in the next licence period.

Other views

57. Mr Frankie YICK noted that ferry operators were facing recruitment and succession problem of marine staff and problem of increasing operating costs. He remarked that although the Administration had launched a "Local Vessel Trade Training Incentive Scheme" under the Maritime and Aviation Training Fund, it only aimed at encouraging local seafarers to acquire the first professional qualification as coxswains or engine operators on local vessels. In his view, the Administration should set up a fund to provide financial support to train people to become seafarers and to enhance the promotion aspects to attract new recruits for the marine industry.

58. STH said that the Administration was aware of the shortage problem of marine staff in various positions. He undertook that the Administration would formulate strategies to train up more marine workers.

59. Mr LEE Cheuk-yan considered that ferry services should be provided by the Government who could contract out the daily operations to ferry operators. In this way, ferry operators would be free from risks such as increase in oil price and the Government would receive the revenue from fares. The Administration noted his views.

60. Dr KWOK Ka-ki asked whether the Administration would consider introducing water taxis to attract tourists and whether it would formulate a comprehensive policy on waterborne transport. STH advised that the demand for water taxi services was very low and the operation of water taxis was not financially viable. TD had no plan to commission any study on the ancillary waterborne public transport at this stage.

V. Public Transport Strategy Study Topical Study— Accessible public transport services for people with disabilities

(LC Paper No. CB(4)831/15-16(05) - Administration's paper on Public Transport Strategy Study Topical Study— Barrier-free facilities of public transport services

LC Paper No. CB(4)831/15-16(06) - Paper on accessible public transport services for people with disabilities prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(4)842/15-16(01) - Submission from a member of the public on accessible public transport services for people with disabilities)

61. At the invitation of the Chairman, STH briefed members on the outcome of the eighth and the last Topical Study under the Public Transport Strategy Study ("PTSS"). STH informed that under this Topical Study, the current provision of barrier-free facilities in public transport and further enhancement measures had been examined.

62. In addition, STH explained that taking into account the views of stakeholders and the actual situation, the Administration, together with public transport operators, planned to introduce a series of measures to further facilitate the use of public transport services covering railway, franchised bus, public light bus ("PLB") and taxi services by people with disabilities ("PwDs"). STH added that when examining and implementing new measures, the Administration would continue maintaining communication with PwD groups and public transport operators, as well as enhance public understanding of the transport needs of PwDs through publicity and education.

Public light bus service

63. Mr Frankie YICK expressed support to the installation of an additional half-step at the middle door of PLBs to facilitate easy boarding by passengers with minor mobility difficulties and elderly passengers. Besides, noting that the Administration would be in search of low-floor

wheelchair-accessible PLB models suitable for use in Hong Kong, Mr YICK expressed concern about the relevant progress and enquired how the Administration would assist PLB trade to switch their existing fleet to low-floor PLBs. STH replied that further improvement of public transport facilities and promotion of a barrier-free transport system required the collaborative effort of the public and public transport operators.

64. Mr Gary FAN was of the view that the Administration should further improve the existing barrier-free facilities in PLBs to cater for the needs of various passenger groups, including PwDs, passengers with minor mobility difficulties and the elderly. Recalling that some of the deputations attending previous Panel meetings had provided some useful information on low-floor PLB models suitable for use in Hong Kong (e.g. some models were priced as low as \$600,000 each), he enquired whether the Administration had followed up on their views; and if yes, the relevant progress. In addition, Mr FAN, Mr LEUNG Kwok-hung and Mr Albert CHAN opined that PLB trade would actively pursue the proposal of procuring low-floor PLBs if the Administration could provide incentive or subsidy in this regard.

65. In response, STH explained that the Administration was examining the roles and positioning of PLB service under PTSS and planned to report the progress of the study on increasing the seating capacity of PLBs at the Panel meeting in June 2016. C for T supplemented that at present there was no low-floor PLB model suitable for use in Hong Kong. The Administration, together with the trade, was in search of such models, taking into account factors such as the dimension of the vehicles and service requirements.

66. Expressing disappointment at the existing Rehabus service, Dr KWOK Ka-ki urged the Administration to expedite the progress of introducing low-floor wheelchair-accessible PLB models suitable for local use; with priorities accorded to hospital routes to benefit patients with impaired mobility. Sharing similar views, Mr LEE Cheuk-yan hoped that the Administration would put appropriate low-floor wheelchair-accessible PLB models to serve hospital routes as soon as practicable.

67. In reply, C for T explained that whilst there was no low-floor PLB model suitable for use in Hong Kong at present, all franchised buses were expected to be of wheelchair-accessible low-floor design by 2017. The Administration was also discussing with franchised bus companies the feasibility of using such buses, equipped with other facilities such as two wheelchair parking spaces and additional handrails, to provide new service

or enhance existing service to and from hospitals. C for T further supplemented that the Administration had been improving the Rehabus service, such as by introducing new routes between MTR stations and hospitals.

Taxi service

68. With respect to scattered ownership of taxi licences and constraint of limited resources faced by the taxi trade, Mr Frankie YICK suggested that the Administration should implement measures to assist the trade in introducing wheelchair-accessible taxis. Further, he expressed concern that the Administration's proposal on the introduction of premium taxis, which would provide a certain number of wheelchair-accessible taxis, might result in greater operating difficulties for the existing wheelchair-accessible taxis in Hong Kong.

69. Noting that there were only a small number of wheelchair-accessible taxis available in Hong Kong (i.e. about 80), Dr KWOK Ka-ki urged the Administration to formulate measures to encourage the taxi trade to introduce more wheelchair-accessible taxis, say issuing a particular licence for this type of taxi. In respect of the current booking fee of about \$80 for wheelchair-accessible taxis, Mr LEE Cheuk-yan expressed worry that after the introduction of premium taxis, the booking fee might become higher. In view of a limited number of wheelchair-accessible taxis and relatively expensive fare and booking fee for such taxis, he urged the Administration to take appropriate measures to alleviate the financial burden of travelling expenses on PwDs. Sharing Mr LEE's concern, Mr LEUNG Kwok-hung suggested that the Administration should either provide subsidies to PwDs or taxi trade to address the issue.

70. STH shared members' views that there was demand for wheelchair-accessible taxis in Hong Kong for PwDs. STH explained that when studying the introduction of premium taxis, the Administration would consider requiring operators of these taxis to use a certain number of wheelchair-accessible taxis. Moreover, the Administration was exploring the feasibility of providing two wheelchair parking spaces in the bus compartment of certain hospital routes.

Franchised bus service

71. Mr POON Siu-ping noted that eligible PwDs and elderly people aged 65 or above could, through subsidies provided by the Administration under the Labour and Welfare Bureau's Public Transport Fare Concession Scheme

("the Scheme"), travel on most franchised bus routes at a concessionary fare of \$2 per trip. He therefore enquired why "A" routes to and from the airport, racecourse routes and routes of New Lantao Bus on a pre-booking and group hire services were excluded from the Scheme. C for T replied that as "A" routes were intended to serve airport users and not "commuter" routes per se, they were not covered under the Scheme. Yet, the public could travel to/from the airport on "E" routes which were covered under the Scheme. C for T added that the Administration would conduct a review on the Scheme three years after its full implementation.

72. Noting that the Administration would subsidize franchised bus companies to expedite the installation of seats and real-time arrival information display panels at covered bus stops, Mr LEUNG Che-cheung expressed worry that the franchised bus companies would shift the responsibility of improving public transport facilities to the Administration in the future. He therefore urged the Administration to remind public transport operators that they should promote a barrier-free transport system to cater for the needs of various passenger groups, in addition to focusing on the growth of their transport business.

73. STH responded that as announced in the 2016 Policy Address, the Administration would subsidize franchised bus companies to expedite the installation of seats and real-time arrival information display panels at covered bus stops for the convenience of passengers, especially the elderly and those in need. The Administration would continue to work with the franchised bus companies to enhance public transport facilities and promote a barrier-free transport system. C for T supplemented that in respect of the display panels, the Administration would provide subsidy to franchised bus companies on a matching basis such that for every display panel which a franchised bus company had committed to install, the Administration would provide funding for the installation of another display panel. The expenditure arising from the daily operation, maintenance and repair of these facilities would be absorbed by franchised bus companies.

Railway service

Admin

74. Mr WONG Kwok-hing considered that at some MTR stations like Admiralty Station, MTRCL did not provide sufficient barrier-free facilities such as lifts to connect the station concourse with the road, causing difficulties for PwDs in using the railway service. He therefore urged MTRCL to conduct a comprehensive review to improve the situation. Besides, Mr WONG requested MTRCL to provide a table setting out details of barrier-free facilities installed at individual MTR stations. Dr KWOK

Ka-ki also supported this request.

(Post-meeting note: The supplementary information provided by the Administration was issued to members vide LC Paper No. CB(4)1020/15-16(01) on 20 May 2016.)

75. In response, STH said that the Administration shared Mr WONG's view about the importance of enhancing barrier-free facilities at MTR stations. MTRCL would need to look into the feasibility of installation of more barrier-free facilities such as lifts at individual stations. C for T supplemented that when considering the installation of more lifts at individual MTR stations, MTRCL had to take account of the physical environment and other factors of the proposed sites. Despite the difficulties encountered, MTRCL had retrofitted additional lifts at some stations, including Tsim Sha Tsui Station and Lai King Station.

76. Realizing that MTRCL encountered geographical, land ownership and technical constraints in installation of a lift at Tin Hau Station, Mr POON Siu-ping enquired whether MTRCL had come up with a viable plan to solve the problems or not. C for T responded that MTRCL was still trying to work out a feasible plan to put in place a lift at Tin Hau Station.

Other views relating to the provision of barrier-free facilities in public transport

77. Mr Albert CHAN expressed his disappointment with the Administration's progress in enhancing barrier-free facilities of public transport services. For instance, being constrained by the terrain, some buses serving South Lantau were not of wheelchair-accessible low-floor design. With a view to improving arrangements which could facilitate the use of public transport services by PwDs, Mr CHAN urged the Administration to formulate a comprehensive policy and set out a timetable for implementation. STH explained that the Administration would continue to promote a barrier-free transport system to cater for the needs of various groups of passengers. A trial to deploy modified low-floor franchised buses was underway in certain South Lantau routes.

78. Ir Dr LO Wai-kwok expressed that when taking forward arrangements which could facilitate the use of public transport services by PwDs, the Administration should improve the communication and coordination between various bureaux and departments. Further, he suggested that the Administration should form a special team to be responsible for improving public transport facilities, promoting a barrier-free

transport system, and taking follow-up actions when necessary. Sharing Ir Dr LO's views, the Chairman urged the Administration to formulate a long-term planning to develop a barrier-free transport system in Hong Kong.

79. STH explained that the duties and responsibilities of each bureau and department were clearly set out. To further promote a barrier-free transport system, the Administration would look into the availability of wheelchair-accessible vehicle models suitable for use in Hong Kong and the provision of suitable assistance to public transport operators as the circumstances might warrant.

(At 12:35 pm, the Chairman extended the meeting for 15 minutes to allow sufficient time for discussion.)

VI. Replacement of Fire Alarm System and Manual Toll Collection System at Aberdeen Tunnel, and Traffic Control and Surveillance Systems at Eastern Harbour Crossing and Kai Tak Tunnel

(LC Paper No. CB(4)831/15-16(07) - Administration's paper on replacement of Fire Alarm System and Manual Toll Collection System in the Aberdeen Tunnel, and Traffic and Control Surveillance Systems in the Eastern Harbour Crossing and the Kai Tak Tunnel

LC Paper No. CB(4)867/15-16(02) - Submission from Community for Road Safety on replacement of Fire Alarm System and Manual Toll Collection System at Aberdeen Tunnel, and Traffic Control and Surveillance Systems at Eastern Harbour Crossing and Kai Tak Tunnel)

80. At the invitation of the Chairman, Principal Assistant Secretary for Transport and Housing (Transport)2 ("PAS(T)2") briefed members on the Administration's proposal to seek funding from the Finance Committee to

replace the fire alarm system and the manual toll collection system in the Aberdeen Tunnel, and the traffic and control surveillance systems in the Eastern Harbour Crossing ("EHC") and the Kai Tak Tunnel. The Administration proposed to create a commitment of \$292,718,000 to replace the above systems.

Implementation plan

81. Noting that the four aforesaid replacement projects were estimated to be completed by July 2019 to February 2021, Mr POON Siu-ping urged the Administration to expedite the works progress so as to minimize the impact of the installation work on normal tunnel operations. In reply, PAS(T)2 said that the Administration would try to complete all the replacement projects as soon as practicable. The Administration also proposed to arrange all the installation works to be carried out during non-peak hours to minimize the impact of the works on the normal operation of the tunnels.

82. Senior Engineer/Project 4 of the Electrical and Mechanical Services Department supplemented that the proposed programmes of the four replacement projects involved a series of works inside the tunnel tubes and roads in the tunnel area, such as site investigation; temporary traffic arrangement; system installation work, etc. Further, these works could only be carried out during non-peak hours. The proposed implementation schedules were already very tight.

Eastern Harbour Crossing

83. Noting that the Aberdeen Tunnel was commissioned seven years earlier than EHC, the Deputy Chairman asked the Administration to explain in detail why the systems in both tunnels were to be replaced at the same time. Further, as the Administration would take over the ownership of EHC upon expiry of its franchise soon, the Deputy Chairman expressed worry that the franchisee might only focus on profit-making, without diligently carrying out the regular maintenance and repair works. He therefore enquired how the Administration had been ensuring that the necessary maintenance and replacement were carried out by the operators of the Build-Operate-Transfer ("BOT") tunnels, EHC included.

84. In reply, PAS(T)2 advised that the fire alarm system and the manual toll collection system in the Aberdeen Tunnel, and the traffic and control surveillance systems in EHC and the Kai Tak Tunnel had been in use for a long time and had shown signs of ageing. Also, the components of these systems had become obsolete, making the maintenance of the systems

difficult and not economical. She said that to ensure effective operation of the abovementioned systems, replacement and upgrading were considered necessary.

85. Further, PAS(T)2 explained that BOT franchisees had been paying due regard to the operation of the respective tunnels and kept replacing and upgrading the systems as and when necessary. For instance, the franchisee of EHC had replaced the closed circuit television systems; sub-systems of the traffic control and surveillance system; and toll collection systems at their own cost before. She added that to ensure safe and effective tunnel operations, the Administration had monitored the service of BOT franchisees according to the established mechanism, including but not limited to appointing government representatives to the boards of the BOT franchisees concerned and requiring regular reporting on tunnel matters by the BOT franchisees to the Administration.

86. In response to the Deputy Chairman's enquiry about the future management mode and operating cost of EHC, ACT/M&P explained that the Administration would grant, through open tender, a management, operation and maintenance contract for EHC's operation and management upon the franchise expiry. The Administration had already commenced the tender process and would publicize the management fee in due course after awarding the contract. She supplemented that in respect of the estimated management fee of EHC, members might make reference to the management fee of about \$400 million for a period of six years paid to the contractor of the Cross Harbour Tunnel under the existing contract.

Aberdeen Tunnel

87. Mr POON Siu-ping expressed concern whether there would be any impact on the original manpower deployment of the Aberdeen Tunnel after the manual toll collection system for the Aberdeen Tunnel was replaced. In response, PAS(T)2 advised that there would be no change to the existing manpower arrangement in the Aberdeen Tunnel after the proposed replacement works.

Summing up

88. After discussion, the Chairman concluded that the Panel supported the Administration's submission of the funding proposals to the Finance Committee for consideration.

VII. Any other business

89. There being no other business, the meeting ended at 12:52 pm.

Council Business Division 4
Legislative Council Secretariat
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