

# 立法會

## *Legislative Council*

LC Paper No. CB(4)1319/15-16  
(These minutes have been seen by  
the Administration)

Ref : CB4/PL/TP/1

### **Panel on Transport**

**Minutes of meeting held on  
Monday, 23 May 2016, at 9:00 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 James TO Kun-sun  
Hon CHAN Kam-lam, SBS, JP  
Hon WONG Kwok-hing, BBS, MH  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon CHAN Hak-kan, JP  
Hon LEUNG Kwok-hung  
Hon Albert CHAN Wai-yip  
Hon Claudia MO  
Hon Frankie YICK Chi-ming, JP  
Hon WU Chi-wai, MH  
Hon YIU Si-wing, BBS  
Hon Gary FAN Kwok-wai  
Hon Charles Peter MOK, JP  
Hon CHAN Han-pan, JP  
Dr Hon KWOK Ka-ki  
Dr Hon Elizabeth QUAT, JP  
Hon POON Siu-ping, BBS, MH  
Ir Dr Hon LO Wai-kiwok, SBS, MH, JP  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP  
Hon Tony TSE Wai-chuen, BBS  
Hon Alvin YEUNG Ngok-kiu

**Members absent** : Hon LEE Cheuk-yan  
Hon Mrs Regina IP LAU Suk-ye, GBS, JP  
Hon WONG Yuk-man  
Hon LEUNG Che-cheung, BBS, MH, JP

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

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

Mr Andy CHAN Shui-fu, JP  
Deputy Secretary for Transport and Housing  
(Transport)<sup>2</sup>

Mr Philip HAR Mung-fei  
Principal Assistant Secretary for Transport and  
Housing (Transport)<sup>4</sup>

Miss Rachel KWAN Chui-lan  
Assistant Commissioner/Bus & Railway  
Transport Department

**Agenda item IV**

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

Mr Adrian LAM  
Acting Principal Assistant Secretary for Transport and  
Housing (Transport)<sup>2</sup>

Mr LEUNG Tak-fai, JP  
Assistant Commissioner/Technical Services  
Transport Department

Mr Peter WONG  
Chief Engineer/Traffic and Transport Survey  
Transport Department

**Agenda item V**

Mr Reginald CHAN  
Assistant Commissioner/Administration and Licensing  
Transport Department

Mr Louis LO  
Acting Principal Assistant Secretary for Transport and  
Housing (Transport)6

Mrs Lilian LEUNG  
Principal Executive Officer/VAILD and Licensing  
Transport Department

**Attendance by invitation : Agenda item III**

Ms Jeny YEUNG  
Commercial Director  
MTR Corporation Limited

Ms Linda SO  
Corporate Affairs Director  
MTR Corporation Limited

Mr Raymond YUEN  
General Manager – Marketing and Planning  
MTR Corporation Limited

Mr Eric LEE  
Senior Manager – External Affairs  
MTR Corporation Limited

**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

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Action

**I. Information papers issued since the last meeting**

- (LC Paper No. CB(4)904/15-16(01) - Letter from Hon TANG Ka-piu on the review of fare adjustment arrangement for franchised buses
- LC Paper No. CB(4)928/15-16(01) - Letter from Dr Hon KWOK Ka-ki on the Hong Kong Boundary Crossing Facilities of Hong Kong-Zhuhai-Macao Bridge
- LC Paper No. CB(4)1015/15-16(01) - Administration's response to the 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
- LC Paper No. CB(4)1016/15-16(01) - Administration's response to the letter from Hon TANG Ka-piu on the review of fare adjustment arrangement for franchised buses)

Members noted the above papers issued since the last meeting.

**II. Items for discussion at the next meeting in June 2016**

- (LC Paper No. CB(4)997/15-16(01) - List of outstanding items for discussion
- LC Paper No. CB(4)997/15-16(02) - List of follow-up actions)

2. Members agreed to discuss the following items at the next regular meeting to be held in June 2016 –

- (a) New franchise for the bus network of the Kowloon Motor Bus Co. (1933) Limited—views received through public engagement;
- (b) MTR fare adjustment for 2016; and
- (c) Public Transport Strategy Study—Role and Positioning Review on premium taxis and increasing the seating capacity of public light buses.

3. The Chairman said that to allow sufficient time to discuss the above items and to avoid possible clashing with the Council meeting, he proposed to reschedule the next regular meeting from 17 June to 21 June 2016 from 9:00 am to 1:00 pm. Members agreed.

4. Dr KWOK Ka-ki and Ms Claudia MO considered that a public hearing should be held to listen to public views on MTR fare adjustment and MTR Corporation Limited ("MTRCL")'s fare adjustment mechanism ("the FAM").

5. The Deputy Chairman said that he had requested to discuss the matter on bus drivers being attacked at work. Given the time constraints, he requested that the Administration should first be asked to provide a written response to the matter. Members raised no objection.

*(Post-meeting note: The letter from the Deputy Chairman and the Administration's response were circulated to members via LC Paper Nos. CB(4)1045/15-16(01) and CB(4)1250/15-16(01) on 27 May and 15 July 2016 respectively.)*

### **III. MTR fare adjustment for 2016**

(LC Paper No. CB(4)997/15-16(03) - Paper provided by the Administration and the MTR Corporation Limited on MTR fare adjustment for 2016

LC Paper No. CB(4)997/15-16(04) - Paper on adjustment to MTR fares and the Fare Adjustment Mechanism of the MTR Corporation Limited prepared by the Legislative Council Secretariat (updated background brief))

6. At the invitation of the Chairman, Under Secretary for Transport and Housing ("USTH") and Commercial Director of MTRCL ("CD/MTRCL") briefed members on the MTR fare adjustment for 2016. Members noted that MTR fares would be increased at an overall rate of 2.65%. In addition, the Government and MTRCL had agreed to advance the next review of the MTRCL's FAM and the Government was launching a three-month public consultation exercise on the review of the FAM with a view to implementing the review outcome in the fare adjustment in 2017.

*(Post-meeting note: The power-point presentation material presented by CD/MTRCL was issued to members via LC Paper No. CB(4)1072/15-16(01) on 2 June 2016.)*

#### Fare increase in 2016

7. Members in general were dissatisfied that MTRCL increased the fares each year according to the FAM though it was earning handsome profits. Mr WU Chi-wai, Ms Claudia MO and Dr KWOK Ka-ki requested MTRCL to freeze MTR fares in 2016. Mr Gary FAN and Mr POON Siu-ping concurred and considered that MTR fares should be frozen before the completion of the FAM review. Mr FAN and Ms MO considered it unnecessary for MTRCL to increase fares to maintain its operation as it also earned profits from other businesses and had stable patronage.

8. USTH explained that the FAM formed part of the rail merger agreement between the Government and MTRCL, and was included in the Operating Agreement signed between the two parties. It was legally binding. The result calculated accordingly should be implemented in order to respect an established mechanism.

9. The Deputy Chairman remarked that the price of monthly passes was not controlled fares governed by the FAM and queried whether it was necessary for MTRCL to increase their prices alongside the annual adjustment of the controlled fares. CD/MTRCL noted his comments and advised that MTRCL was finalizing the fare adjustment for 2016 and would announce the new fares in due course.

10. Mr Albert CHAN suggested that the Government should share the dividends it received from MTRCL ("the Government's dividends") to minority shareholders in return for their agreement to freeze MTR fares. He asked if the Government had taken any actions as the majority shareholder of MTRCL in freezing MTR fares.

11. USTH said that the Government had been reflecting the views of the public to the Board of MTRCL and had indeed requested MTRCL to advance the next FAM review. He explained that the Government, as the majority shareholder of MTRCL, was not representing the rights of minority shareholders and the Government's right should not override the protected interest of the minority shareholders.

12. Dr KWOK Ka-ki and Ms Claudia MO suggested the Government buy back the shares of MTRCL such that the Government would have full control on MTR fares. Dr KWOK said that according to his estimate, the payback period would be about five years and the Administration could use the revenue generated from railway operation to benefit the public in various aspects. Mr POON Siu-ping also asked whether the Administration would consider the buy-back option.

13. USTH said that it was the Government's long-standing policy that public transport services should be run according to commercial principles. The buy-back option would involve huge sum of public money and might not be conducive to healthy development of public transport.

#### The FAM review

##### *General views on the FAM and the FAM formula*

14. Mr WONG Kwok-hing welcomed the decision of the Government and MTRCL to advance the FAM review by one year. He considered that the factor on change in Nominal Wage Index (Transportation Section) ("NWI(TS)") in the existing formula should be replaced by the index on growth in real wages for all employees in Hong Kong. USTH said that the Administration would make reference to views on adopting NWI(TS) in the FAM formula.

15. Mr Gary FAN pointed out that the increase in MTR fares in the past seven years proved that the adoption of Composite Consumer Price Index and NWI(TS) as factors included in the FAM formula would only facilitate the increase of MTR fares. He asked about the approach of the Administration on the FAM review.

16. USTH advised that the main direction of the FAM review was to address better the public's concern about the relationship between the FAM and MTRCL's profitability and passengers' affordability, whilst still respecting the financial prudence required of MTRCL as a listed company on the premises of retaining a transparent FAM. He added that the FAM after review should be built on the basis of public and objective data with a direct-drive formula.

17. Mr YIU Si-wing considered that MTRCL's regular non-fare box revenue such as rental of commercial premises at MTR stations should be considered under the FAM and be used to provide fare concessions. Mr Alvin YEUNG noted that a considerable amount of profits of MTRCL were generated from other businesses rather than MTRCL's farebox. He considered that the FAM formula should take into account all the income of MTRCL. Mr Gary FAN also considered that the overall profitability of MTRCL should be a factor to be included in the FAM formula.

18. USTH and CD/MTRCL advised that when the FAM was revised in 2013, a profit sharing mechanism was introduced, under which MTRCL's all underlying business profits including those arising from fare revenue and non-fare revenue. USTH noted the view that the sum of profits shared with passengers was too small and said that the Administration would take this into account when reviewing the FAM. CD/MTRCL supplemented that railway operation was an important source of MTRCL's income and a healthy financial position was important to maintain the service level of MTR in the long run.

19. Mr Albert CHAN said that he had opposed to the introduction of the FAM because he anticipated that the FAM would only facilitate fare increases even if MTRCL was earning a huge profit. He considered that the FAM should be abolished.

20. The Deputy Chairman said that members hoped that the FAM formula should be revised in such a way that it would bring about fare decrease or significant fare concessions. He requested the Administration to provide information on any legal and policy constraints for the Government as the majority shareholder of MTRCL, to request the MTR Board to freeze the MTR fares; and to deploy its dividend receivable from MTRCL to subsidize MTR fares. He also proposed to abolish the MTRCL's FAM and replace it with approval by the Executive Council in case MTRCL wished to increase the fare.

21. USTH said that the FAM review should address members' concern that MTR fares were only increased and not decreased annually. He added that the Administration would as necessary seek legal advice such that the revised the FAM would be in compliance with the Operating Agreement and relevant legal documents. He also agreed to provide supplementary information to the enquiries made by the Deputy Chairman after the meeting.



*Views on profits of MTRCL and the profit sharing mechanism*

22. Mr CHAN Kam-lam considered that while there should be a mechanism to regulate the MTR fares, MTRCL's profits should not be too high as it benefited from the Government's policy to a certain extent. Mr WONG Kwok-hing considered that a cap should be set on the profit level of MTRCL. Dr KWOK Ka-ki considered that there should be a profit control scheme which set the permitted return of MTRCL say at 9.9%.

23. USTH explained that MTRCL was a listed company and the operation of railways involved huge sum of investment. The setting of a profitability cap might affect MTRCL's operation under commercial principles.

24. The Chairman requested MTRCL to enhance the "Profit Sharing Mechanism" such that profits would be shared with passengers through providing regular cash rebate without any conditions. Under his proposal, the rate of the outcome of the FAM formula would be further adjusted by deducting a rate, which derived from dividing the total amount to be shared under the "Profit Sharing Mechanism" and the "Service Performance Arrangement" by that year's fare revenue. As a result, MTR fares in that year would be lowered. He added that as MTRCL benefited from the Government's transport policy, it should further reduce the fares when it earned higher profits. He suggested that if MTRCL's underlying business profit per year exceeded \$20 billion, the amount of fare concessions to be shared with passengers should be \$425 million.

25. Dr KWOK Ka-ki requested to lower the threshold of providing fare concessions under the current "Profit Sharing Mechanism" from the current underlying business profit from \$5 billion to \$2.5 billion. Under his proposal, MTRCL would need to share 5% of its underlying business profit when it reached \$2.5 billion. If the underlying business profit accounted for more than \$5 billion, MTRCL should need to share 10% of the exceeded amount to passengers. USTH noted the views of Dr KWOK.

26. Mr Frankie YICK considered that it was reasonable for a commercial organization to seek profits. However, MTRCL had a special role as the Government was its majority shareholder. While noting that the profits earned by MTRCL were partially the result of the hard work of its employees, he highlighted that MTRCL had indeed somehow benefited from Government's policy in railway development. He said that the Liberal Party had been suggesting that at least 5% of MTRCL's profits should be shared with passengers or used to offset the fare increase. CD/MTRCL took note of Mr YICK's views.

*Public consultation on the FAM review*

27. The Chairman and Ms Claudia MO requested the Administration to extend the consultation period of the FAM review scheduled to be ended on 19 August 2016 by three months such that a public hearing could be held in the sixth Legislative Council to receive public views.

28. Mr POON Siu-ping enquired whether the new FAM would be able to take effect in 2017 if there were substantial changes to the FAM which entailed legislative amendments.

29. USTH said that after collecting public's view on the FAM, the Administration would report the matter to the Panel on Transport ("Panel") and members could then further express their views. The Administration would respect the Panel's decision to hold a public hearing to collect further views from the public. He added that it was a general practice of the Government to launch a public consultation for three months. The Administration expected that the new FAM would take effect in 2017. Given the tight schedule, the Administration had no plan to extend the consultation period.

Fare concessions

*Using dividends received from MTRCL to subsidize transport fares*

30. The Deputy Chairman, Mr Albert CHAN, Mr WONG Kwok-hing, Mr Alvin YEUNG, Mr WU Chi-wai, Mr CHAN Kam-lam and Dr KWOK Ka-ki considered that the Government's dividends receivable from MTRCL should be deployed to mitigate MTR fare increase or subsidize public transport fares. Mr WONG Kwok-hing suggested that the Government's dividends should be used to provide fare concessions through a monthly ticket scheme applicable to all public transport modes.

31. Mr WU Chi-wai considered it reasonable to use the Government's dividends to subsidize public transport fees as MTRCL benefited from the Government's transport policy and the Government was also subsidizing public transport fares through the Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (\$2 Scheme).

32. Mr Alvin YEUNG considered that the impact of using the Government's dividends to subsidize MTR fares or public transport expenses would be minimal if the amount to be shared only constituted a small portion of the general revenue of the Government. He enquired about the amount of the Government's dividends in 2015.

33. In response, USTH advised that the Government's dividends were \$4 billion odd in 2015. He explained that the Government's dividends formed part of the general revenue and that as such, they should be put to appropriate use. He said that if the Government on one hand subsidized fares with public money while allowing public transport operators with handsome profits to increase fares, this would amount to making indirectly the operators more profitable by spending public money. He added that the \$2 Scheme was meant to provide fare concessions to special groups of passengers, i.e. the elderly and the disabled only.

34. Dr KWOK Ka-ki suggested the Government's dividends be used to establish a fare stabilization fund. He remarked that due to the Government's housing policy, many residents were housed in the new development areas which were rather remote and they were forced to pay high transport expenses. He suggested that the Government should consider subsidizing the cost of one way ticket of a higher price. Mr Alvin YEUNG shared that a fare stabilization fund should be established.

35. USTH advised that MTRCL was currently offering fare concessions to passengers with different needs. He added that the Government had been subsidizing the low-income group by providing Comprehensive Social Security Assistance and allowance for travelling expenses.

36. Mr Frankie YICK opined that if there were restrictions on the use of the Government's dividends, the Government could consider asking MTRCL to provide more fare concessions before the dividends were paid to the Government. USTH took note of Mr YICK's suggestion.

#### *Monthly passes*

37. The Chairman requested MTRCL to enhance the coverage of the "Monthly Pass Extras" by introducing Sheung Shui—Hong Kong Monthly Pass and Tuen Mun—Hong Kong Monthly Pass. With reference to the price of the current Tung Chung—Hong Kong Monthly Pass Extra, he suggested setting the price of the proposed Sheung Shui—Hong Kong Monthly Pass and Tuen Mun—Hong Kong Monthly Pass at \$680 and \$705 respectively.

38. Mr WU Chi-wai hoped that more choices on monthly passes would be offered and they should not be too restrictive. He asked whether the discounts offered under the monthly pass scheme were included in the total amount of fare concessions offered in 2015-2016, i.e. \$500 million. CD/MTRCL confirmed that the discounts offered to passengers under the monthly pass scheme were not included in the 2015-2016 fare concessions.

39. The Deputy Chairman considered the current monthly passes based on railway lines were not attractive. He urged MTRCL to consider introducing a monthly pass which provided discounts after certain number of rides, or to introduce monthly passes of different durations and different zones.

40. Mr LEUNG Kwok-hung suggested MTRCL to introduce quarterly or annual passes such that low-income group who relied heavily on railway service for daily commuting would enjoy bigger discounts.

41. Mr Frankie YICK expressed concern over the high travelling expenses of passengers living in remote areas and considered that the monthly pass scheme should be enhanced to alleviate their burden.

42. CD/MTRCL agreed to study the above suggestions. She added that passengers' travelling habits should be a factor to be considered if there were significant changes in the types of monthly passes offered.

*"10% Same-Day Second-Trip Discount" and other views*

43. The Chairman, Mr WU Chi-wai and Mr Frankie YICK considered the "10% Same-Day Second-Trip Discount" scheme was not desirable as it was too restrictive. The Chairman and Mr WU considered that discounts should be provided to all passengers instead. CD/MTRCL noted the concern of members over the conditions imposed under the "10% Same-Day Second-Trip Discount" scheme and reiterated that it formed part of the FAM. She agreed it could be revisited in the FAM review.

44. Mr WONG Kwok-hing, Mr Gary FAN and Mr CHAN Kam-lam considered that instead of providing fare promotions, MTRCL should simply freeze MTR fares to save passengers' efforts to calculate whether they could benefit from the fare promotions or not and also MTRCL's efforts to plan the fare promotions. Mr CHAN Kam-lam also suggested MTRCL upgrade all domestic MTR fare savers to \$2 to attract residents living in remote areas to take MTR. The Administration and MTRCL took note of the above views.

Others

45. The Chairman asked about the progress of procuring ten Light Rail vehicles ("LRV") by MTRCL and arranging additional coupled-set LRVs of various Light Rail routes during busy hours to enhance the carrying capacity. CD/MTRCL advised that MTRCL had secured funding for procuring ten new LRVs. Detailed arrangement would be subject to a Government review on overall transport needs in the Northwest New Territories.

46. Mr LEUNG Kwok-hung urged MTRCL to improve its service by expediting the provision of toilet facilities at MTR stations and provision of automatic platform gates. MTRCL noted his views.

*(Break from 10:41 am to 10:46 am)*

#### **IV. Installation of traffic detectors**

(LC Paper No. CB(4)997/15-16(05) - Administration's paper on installation of traffic detectors

LC Paper No. CB(4)997/15-16(06) - Paper on installation of traffic detectors prepared by the Legislative Council Secretariat (background brief))

47. At the invitation of the Chairman, USTH briefed members on the Administration's proposal to install 400 sets of traffic detectors along some of the strategic routes. This would provide the public and the Transport Department ("TD") with more real-time traffic information and would enhance transport efficiency. He also explained that the estimated capital cost of the proposed installation of traffic detectors would be about \$194,000,000.

#### Proposed locations for installing traffic detectors

48. Mr Frankie YICK asked why the traffic detectors were to be installed along some, instead of all, strategic routes at the current stage; and whether the Administration would allocate extra resources in the coming financial year to make all local strategic routes to be fully covered by traffic detectors. Given that the coverage of traffic detectors along strategic routes in Hong Kong would be increased from about 45% to about 80% under the Administration's proposal, the Deputy Chairman and Mr POON Siu-ping enquired how the installation works were prioritized and when the remaining 20% of the strategic routes would be covered by traffic detectors. To avoid further aggravating traffic congestion caused by motorists lingering on roads in search of parking spaces, the Deputy Chairman suggested installing traffic detectors in the vicinity of car parks in busy districts so that motorists could obtain real-time traffic information nearby.

49. In reply, USTH said that the Administration noted members' views and would endeavour to install traffic detectors along all strategic routes in Hong

Kong as soon as practicable to enhance transport efficiency. Assistant Commissioner/Technical Services of TD ("AC/TS") explained that in the first phase, the Administration planned to install about 400 sets of traffic detectors along strategic routes which had relatively high traffic volumes but not covered by existing Traffic Control and Surveillance System, Journey Time Indication System and Speed Map Panels System. AC/TS also said that after completion of the proposed project, the Administration would review and consider installing traffic detectors at other major roads.

50. Having considered that about 20% of the strategic routes would not be installed with traffic detectors even after completion of the Administration's proposed project, the Chairman and the Deputy Chairman enquired about the estimated funding to be required to achieve 100% coverage of strategic routes. Besides, the Chairman expressed his disappointment that the proposed locations for installing traffic detectors did not cover Route 9 which was a strategic truck road in the New Territories. With traffic detectors installed along Route 9 to disseminate real-time traffic information, commuters might choose to use an alternative route (i.e. Tai Lam Tunnel, a tolled tunnel), rather than Route 9, a toll-free route, to avoid traffic congestion. In response, AC/TS advised that a rough estimate of about \$180 million would be additionally required to achieve 100% coverage of strategic routes. He explained that the first phase of installation would not cover certain strategic routes (e.g. Tuen Mun Road), as they were currently covered by Traffic Control and Surveillance System, Journey Time Indication System or Speed Map Panels System. Commuters were already able to obtain real-time information on traffic conditions of these strategic routes through the abovesaid systems to make informed route choices.

#### Collection and dissemination of real-time traffic information to the public

51. Having noted the Administration's proposal on the installation of traffic detectors, Mr Frankie YICK asked for the kinds of traffic detection technologies which would be adopted to collect real-time traffic information. In reply, AC/TS advised that the Administration had previously conducted a study and identified several traffic detection technologies suitable for application in Hong Kong. These technologies included microwave radar making use of microwave to measure vehicle speed; video-based analysis making use of video images of vehicles captured by closed-circuit television cameras to measure vehicle speed; bluetooth identification capturing the unique identification signal of bluetooth devices inside vehicles such as motorists' mobile phones to calculate average vehicle speed over a distance; and automatic licence plate recognition capturing the licence plate number of a vehicle at different locations and matching them to calculate average vehicle

speed over a distance. At the detailed design stage, the abovementioned technologies would be further studied with a view to identifying the type of technology to apply for a particular road section.

52. Further, having regard to the anticipated increase in the coverage of traffic detectors along strategic routes later, Mr YICK expressed concern on whether the proposed central computer system as mentioned in paragraph 9(c) of the Administration's paper would have adequate capacity to cater for additional traffic detectors that might be installed in future. In response, AC/TS advised that the proposed system would have adequate capacity, and its further enhancement to cater for additional traffic detectors would not incur substantial costs.

53. In view of the installation of traffic detectors along strategic routes to collect extensive real-time traffic data in Hong Kong, Mr Albert CHAN enquired whether it was a common practice in overseas countries or not. He also suggested that to further enhance transport efficiency, the Administration should collaborate with the private sector, such as mobile network service providers and large international Internet service providers, to collect real-time traffic data.

54. In reply, AC/TS advised that it was common for overseas countries to install traffic detectors on major roads to continuously collect real-time traffic data for traffic monitoring and management. He also explained that the Administration had approached private service providers who collected data on positions of mobile phones using their mobile network or positions of smartphones with their application software installed, in order to collaborate with them to utilize their positioning data for calculating real-time traffic information, but none of the service providers expressed willingness to collaborate. Upon Mr Albert CHAN's request, the Administration agreed to provide information on the actions taken in respect of the discussions with the private sector on collecting real-time traffic data and the outcome of the discussions.

Admin

*(Post-meeting note: The supplementary information provided by the Administration was issued to members vide LC Paper No. CB(4)1110/15-16(01) on 13 June 2016.)*

55. Mr Charles MOK expressed support in principle for the installation of traffic detectors to better provide real-time traffic information to the public and to build up Big Data for transport in Hong Kong. Nonetheless, understanding that the data made available to the public was short of their expectation, he urged the Administration to meet with professionals, researchers and interested

parties to listen to their views and understand more their needs. Mr MOK also expressed disappointment that the Administration planned to subsidize franchised bus companies to install real-time arrival information display panels at covered bus stops but had not worked hard enough in mandating bus companies to fully open up bus service data for third party application development for free upon renewal of the franchise.

56. In response, USTH explained that the Administration had all along been encouraging franchised bus companies to make use of information technology for providing service-related information to passengers and such information, including real-time arrival information, had been provided via the operators' websites and smartphone applications for use by passengers for free. For the convenience of passengers, the Administration would subsidize franchised bus companies to expedite their installation of display panels for real-time bus arrival information at covered bus stops. USTH also said that the Administration would relay Mr MOK's suggestions to franchised bus companies for their consideration.

#### Implementation plan

57. In response to Mr POON Siu-ping's enquiry about the schedule of the installation and implementation works of traffic detectors, AC/TS explained that to expedite the implementation progress, TD would work with the consultants on the possibility of phased commissioning of traffic detectors – some traffic detectors would be commissioned first before the full completion of the project. He advised that TD would endeavour to complete the installation by May 2021.

#### Summing up

58. After discussion, the Chairman concluded that the Panel supported the Administration's submission of the funding proposal to the Finance Committee for approval.

### **V. Renewal of driving licences**

(LC Paper No. CB(4)997/15-16(07) - Administration's paper on handling the upsurge in renewal of full driving licences)

59. At the invitation of the Chairman, Assistant Commissioner/ Administration and Licensing of TD ("AC/A&L") briefed members on the



measures to be put in place by TD to cope with the upsurge in renewal of 10-year full driving licences starting from 2016-2017. Also, he said that TD would remind driving licence holders to apply for licence renewal, and to prepare its Licensing Offices for the anticipated large number of applications and related workload through various means, including enhancing publicity, deploying additional manpower and setting up dedicated service counters.

#### Online applications for renewal of full driving licences

60. Having considered that the number of online applications for driving licence renewal had increased from less than 1% in 2008 to about 20% in 2015, Mr POON Siu-ping asked whether TD would formulate any measures to encourage more applicants to make use of online application. Noting that many members of the public were unaware of the availability of online applications for driving licence renewal, the Chairman expressed that TD should not only put up posters and distribute leaflets at TD's Licensing Offices, post offices and district offices, but also make use of social media platforms to remind applicants to apply for licence renewal and promote the various application channels.

61. AC/A&L explained that with a view to facilitating online applications, TD had been issuing a personal renewal identification number to driving licence holders since March 2008, allowing them to renew their driving licences online without having to use digital certificates. He also advised that TD would continue its effort on publicity to encourage renewal through non-counter channels, as well as conduct regular review and make improvements when necessary. In response to Mr Charles MOK's enquiry, AC/A&L further explained that the personal renewal identification number was sent to driving licence holders by mail about four months before expiry of their licences to remind them of the renewal.

62. Mr Frankie YICK expressed appreciation of TD's efforts in reminding drivers to renew their licences. In view of the increasing popularity of smartphones and other electronic devices, he opined that more people might make use of the Internet to apply for renewal of driving licences. However, Mr YICK urged TD to review the address of the relevant website, which was made too long and difficult for applicants to input accurately. In reply, AC/A&L advised that TD noted Mr YICK's views and would enhance the online application procedures as necessary.

### Manpower deployment

63. Concerning the rising number of licensing applications handled by TD each year, Mr POON Siu-ping suggested converting some of the short-term posts created for the Licensing Offices into permanent posts. To enable better utilization of human resources, Mr YIU Si-wing considered that the Administration could deploy the staff responsible for those short-term posts to handle other duties by phases when the demand of renewal service was expected to fall after the peak period.

64. AC/A&L replied that to cater for frontline counter duties and backend processing of full driving licence renewal applications, as well as the handling of public enquires and complaints, TD had to create a total of 50 short-term posts between 2016-2017 and 2021-2022. Nevertheless, it was estimated that the demand for manpower would gradually decline after the peak appeared in the first few years. When the cycle of renewal was completed, TD might not need the extra manpower for its daily operation. AC/A&L also supplemented that TD would regularly review the manpower deployment.

### Other views relating to licence renewal

65. In view of TD's pledge to issue renewed driving licences to an applicant within 70 minutes upon receiving an application through counters at TD's four Licensing Offices, Mr POON Siu-ping enquired whether it would be possible to expedite the relevant process to shorten the waiting time of applicants. In response, AC/A&L explained that in spite of the anticipated large number of licensing applications and related workload to be handled during the coming upsurge period, TD hoped to maintain the quality of service and would try its best endeavour to meet the aforesaid pledge.

66. Mr YIU Si-wing asked if there had been any cases of forgery of driving licence which did not carry a photograph of the driver on it. Upon this request, the Administration undertook to provide relevant details for members' reference. Further, Mr YIU suggested storing the information on driving licence in the drivers' Hong Kong Identity Card in the future so that drivers would not need to carry a separate driving licence. AC/A&L replied that the Administration would take account of his views when pursuing the relevant policies.

Admin

*(Post-meeting note: The supplementary information provided by the Administration was issued to members vide LC Paper No. CB(4)1300/15-16(01) on 26 August 2016.)*

67. Mr Charles MOK observed that apart from the driving licence, vehicle owners might be unaware or forgetful of the expiry date of their vehicle licences. He therefore suggested setting up a system to remind vehicle owners to renew vehicle licences by various means like email and short message service (SMS). In response, AC/A&L said that Mr MOK's views were noted. He also explained that the validity periods of a full driving licence and a vehicle licence were different, i.e. ten years for the former and four months/one year for the latter. Before TD decided to set up a system to issue reminders to vehicle owners concerning licence renewal, it had to consider several factors, including the number of vehicles involved; frequency of renewal; and manpower and other resources required.

## **VI. Any other business**

68. There being no other business, the meeting ended at 11:49 am.

Council Business Division 4  
Legislative Council Secretariat  
22 September 2016