

立法會  
*Legislative Council*

LC Paper No. CB(4)1315/15-16  
(These minutes have been seen  
by the Administration)

Ref : CB4/PL/TP/1

**Panel on Transport**

**Minutes of meeting held on  
Tuesday, 21 June 2016, at 9:00 am  
in Conference Room 1 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 Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon LEUNG Kwok-hung  
Hon Albert CHAN Wai-yip  
Hon WONG Yuk-man  
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  
Hon LEUNG Che-cheung, BBS, MH, JP  
Dr Hon KWOK Ka-ki  
Hon POON Siu-ping, BBS, MH  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon Alvin YEUNG Ngok-kiu

**Members attending :** Hon Fredrick FUNG Kin-kee, SBS, JP  
Hon CHAN Kin-por, BBS, JP

**Members absent :** Hon LEE Cheuk-yan  
Hon CHAN Hak-kan, JP  
Dr Hon Elizabeth QUAT, JP  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP  
Hon Tony TSE Wai-chuen, BBS

**Public Officers attending :** **Agenda item II**

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

Mrs Ingrid YEUNG, JP  
Commissioner for Transport

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

Miss Ann CHAN  
Principal Assistant Secretary for Transport and  
Housing (Transport)(Public Transport Strategy Study)

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

**Agenda item III**

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

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

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

Miss Carol CHEUNG  
Principal Transport Officer/Bus and Railway 3  
Transport Department

**Agenda item IV**

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

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

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

**Attendance by invitation** : **Agenda item IV**

Ms Jeny YEUNG  
Commercial 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:** Mr Anthony CHU  
Chief Council Secretary (4)<sup>1</sup>

**Staff in attendance :** Ms Angela CHU  
Senior Council Secretary (4)1

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)1045/15-16(01) - Letter from Hon TANG Ka-piu on the safety of bus drivers at work

LC Paper No. CB(4)1059/15-16(01) - Letter from Dr Hon KWOK Ka-ki on inadequate outlying island ferry services during holidays

LC Paper No. CB(4)1094/15-16(01) - Letter from Dr Hon KWOK Ka-ki on promoting the use of electric bike)

Members noted the above papers issued since the last meeting.

**II. Public Transport Strategy Study — Role and Positioning Review on premium taxis and increasing the seating capacity of public light buses**

(LC Paper No. CB(4)1124/15-16(01) - Administration's paper on Public Transport Strategy Study — Role and Positioning Review on premium taxis and increasing the seating capacity of public light buses

LC Paper No. CB(4)1124/15-16(02) - Paper on premium taxis prepared by the Legislative Council Secretariat (background brief)

- LC Paper No. CB(4)1124/15-16(03) - Paper on increasing the seating capacity of public light buses prepared by the Legislative Council Secretariat (background brief)
- LC Paper No. CB(4)1124/15-16(04) - Submission from Hong Kong Taxi Council
- LC Paper No. CB(4)1129/15-16(01) - Submission from Community for Road Safety
- LC Paper No. CB(4)1140/15-16(01) - Joint submission from members of the public
- LC Paper Nos. CB(4)1140/15-16(02), (03), (04) - Submissions from a member of the public
- LC Paper No. CB(4)1147/15-16(01) - Submission from a member of the public
- LC Paper No. CB(4)1147/15-16(02) - Submission from NT Taxi Operations Union
- LC Paper No. CB(4)1147/15-16(03) - Submission from Universal Cars Limited)

### Briefing by the Administration

2. At the invitation of the Chairman, Secretary for Transport and Housing ("STH") briefed members on the progress of the review on taxis and public light buses ("PLB") under Role and Positioning Review of the Public Transport Strategy Study. The key areas of study were whether to introduce premium taxis and increase the seating capacity of PLBs. For premium taxis, the policy objectives were to provide passengers with an additional choice other than ordinary taxis and address the needs of passenger groups with higher disposable income, rather than replacing ordinary taxis. Given the limitations of the existing taxi operation model in ensuring the overall quality of taxi service in a sustained fashion, the Administration proposed to introduce premium taxis through a franchise model on a trial basis. Operators would be required to maintain an employer-employee relationship with their drivers under the franchises. Some preliminary proposals included-

- a) around three franchises would be granted to maintain healthy competition;
- b) the fleet of a franchise would comprise at least 150 to 200 vehicles, i.e. 450 to 600 vehicles in total, amounting to about 3% of some 18 000-odd ordinary taxis;
- c) the franchises would be time-limited and should last for four to six years for the Trial Scheme;
- d) the fare of premium taxis would be higher than of ordinary taxis given the higher operating cost of premium taxis; and
- e) the franchises would prescribe the service level and set out the service standards. The role of premium taxi would be different from that of ordinary taxis.

Other details were set out in the paragraphs 17 to 28 of the Administration's Paper.

3. As for PLBs, STH explained that the Administration had commissioned a consultant to study whether the seating capacity of PLBs should be increased. The preliminary recommendation was to increase the seating capacity by not more than three seats as the situation of inadequate green minibus service, particularly during the peakiest one hour, could be significantly improved. The recommended seat increase could be achieved within the existing statutory length of PLBs. It had also taken into account the need to maintain the delicate balance among various public transport services and the concerns of other public transport trades, such as the franchised bus and taxi trades. The exact seat number to be increased would be further studied by the consultant.

4. STH said that the Administration aimed to finalize the policy framework and details of key implementation arrangements of a trial scheme of introducing premium taxis ("Trial Scheme") and increasing the seating capacity of PLBs by around the end of 2016. In connection with personalized and point-to-point public transport services, the Administration planned to examine measures to enhance the processing of applications for hire car permits ("HCP"), and would complete a review on enhancing the assessment criteria for issuing HCP. The above issues would be reported to the Panel when the details were available. Details of STH's briefing were set out in the Administration's paper LC Paper No. CB(4)1124/15-16(01).

*(Post-meeting note: speaking note of STH was issued to members on 22 June 2016 vide LC Paper No. CB(4)1157/15-16(02).)*

Discussion

5. Mr Albert CHAN was dissatisfied with the arrangement of the meeting that two unrelated issues, namely, introduction of premium taxis and seating capacity of PLBs, were discussed under one agenda item. Members might not have enough time to speak on these two important subjects. His views were echoed by Ms Claudia MO and Mr Frankie YICK. The Chairman said that he had clarified and agreed with the Administration that the two issues were related and could be discussed under one agenda item. In order to allow sufficient time for members to discuss the two issues, two hours were allocated for the present agenda item.

*Introduction of premium taxis*

6. Most members had reservation of the Administration's proposal to introduce premium taxis under a franchise model. Mr Frankie YICK opined that what the public called for was to improve the service quality of all taxis which would readily provide good service to the public, rather than introducing a new mode of premium taxis in a very limited number. Given the existing difficult operating environment faced by the taxi trade and shrinking market due to the commissioning of a few new railway lines in the coming years, the introduction of premium taxis would further intensify competition within the trade and aggravate the trade's operating difficulties. He said that more than 10% of the taxis were left idle as there was difficulty in recruiting drivers due to low wages. The single vehicle "owner-driver" would be particularly hard hit by the Administration's proposal. In addition, the Trial Scheme which proposed to introduce 600 premium taxis in the market would adversely affect road traffic and worsen congestion problems. He pointed out that there was excess supply of taxis in the market at present. If the Administration considered it necessary to introduce premium taxis, the trade should be allowed to make use of the excess capacity to offer such service, rather than granting new franchises to a few companies to operate premium taxis. In fact, some members of the taxi trade had already organized themselves into fleets of various sizes to provide improved services under their own initiatives. The services provided by these fleets and their features were similar to those proposed under the Trial Scheme. Mr YICK urged the Administration to withdraw the proposal and discuss with the taxi trade on measures to enhance taxi service quality.

7. Echoing Mr Frankie YICK's view, Mr Albert CHAN also urged the Administration to withdraw the proposal and conduct afresh consultation with the trade on how to enhance service quality of taxis, rather than to introduce premium taxis. He opined that introducing premium taxis through franchising only offered administrative convenience for the Administration to manage service quality of a smaller fleet of premium taxis, but was of minimal use in ensuring the service

standard of 18 000 ordinary taxis that were in operation. He further criticized the Administration of lacking a macro perspective in maintaining a proper balance amongst different public transport modes in that under the Administration's transport policy of using railway as backbone of public transport system, continual development of railways would inevitably lead to shrinkage of the market shares of other transport trades, including franchised buses, PLBs and taxis. Introducing premium taxis would therefore bring about another big blow to the already weakened taxi trade and further intensify the trade's operating difficulties.

8. Mr YIU Si-wing shared the view that the crux of the taxi trade problem was poor service quality of 18 000 ordinary taxis, and the Administration should devise measures to improve service standard of the taxi trade. Given that average daily patronage for taxi had shrunk from 1.3 million in 1997 to 0.9 million at present, introduction of premium taxis could not address the poor service quality problem of ordinary taxis and would lead to unhealthy competition within the taxi trade. It would also adversely affect the income of taxi drivers, thus exacerbating the vicious cycle of low income of drivers and poor service quality of ordinary taxis. He suggested the Administration consulted the trade thoroughly before deciding on the way forward.

9. Mr WONG Kwok-hing expressed concern and criticized the Administration for working behind closed doors and not having fully consulted the taxi trade and solicited their support when deciding to use a franchise model for introducing premium taxis. Taking note of the trade's initiatives to self-regulate and improve their services in an attempt to address public concern of poor service quality, Mr WONG considered it unwise for the Administration to fail to recognize and positively appraise these efforts made by the trade. In addition, as noted in paragraph 4 of the Administration's paper, when deciding to increase the seating capacity of PLBs, the Administration was cautious not to tip the delicate balance amongst different transport modes to ensure their long-term sustainable development. He opined that the Administration had not treated the taxi trade fairly by not adopting similar prudent consideration on the long-term sustainable development of the trade when deciding to introduce premium taxis. He suggested holding a public hearing and invited views from the trade and the public on the issue before putting forward implementation details of the Trial Scheme. Mr Frankie YICK also supported the suggestion. In reply, the Chairman said that the Panel might not be able to hold a public hearing in view of the limited time available before the prorogation of the Legislative Council on 16 July 2016.

10. Noting that some members of the taxi trade had put into trial the provision of improved taxi service, such as new wheelchair taxis for the disability and needy passenger, Ir Dr LO Wai-kwok and Mr LEUNG Chi-cheung opined that the introduction of premium taxis under the Trial Scheme would discourage



the trade's initiatives. Mr LEUNG stressed that the Administration should fully engage and listen to the views of taxis associations, such as the newly formed Hong Kong Taxi Council, before putting forward any proposal.

11. Mr WONG Yuk-man opined that the Administration's real intention of introducing premium taxis was to address the demand arising from the operation of illegal hire car service, such as UBER. Mr WONG and Mr WU Chi-wai shared the view that premium taxis could not solve the poor service quality problem of 18 000 ordinary taxis, and that it was imperative for the Administration to devise measures to enhance their service quality. Mr WU opined that introducing premium taxis through franchising would create monopoly in the provision of premium taxi service. Both members urged the Administration to carefully consider the trade's views before putting forward the Trial Scheme.

12. The Deputy Chairman cautioned the Administration not to press ahead with launching the Trial Scheme without the support of the trade. The trade had expressed frustration about the Administration's ineffective efforts to curb the operation of illegal hire car service and at the same time, introducing premium taxis which would inevitably have an impact on their businesses. He pointed out that a few taxi owners were willing to hire drivers as employees to ensure taxi service quality, and suggested that the Administration should first allow the taxi trade to offer premium taxi service as a trial. In addition, he proposed relaxing the limitations imposed on the types of fuel to be used by taxis such that taxi owners could have greater choices in the taxi models. Sharing similar views, Mr WU Chi-wai suggested that, instead of mandating taxis to use liquefied petroleum gas, the Transport and Housing Bureau could discuss with the Environmental Bureau to require taxi owners to use environmental-friendly car models that met commonly-adopted emission standard, such as Euro VI.

13. Mr CHAN Kin-por and the Chairman welcomed the Administration's proposal of introducing premium taxis as it would offer better service to passengers. However, both members suggested that the taxi trade should first be allowed to provide premium taxi service instead of granting the operating right to a few companies under a franchise model.

14. Mr CHAN Kam-lam, Mr CHAN Han-pan, Mr LEUNG Chi-cheung and Mr James TO enquired whether the Administration had conducted any assessment about the impact of premium taxis on the businesses of ordinary taxis. Ir Dr LO Wai-kwok, Mr CHAN Kam-lam, Mr Frankie YICK and Mr CHAN Han-pan opined that premium taxis would inevitably affect the licence premium of ordinary taxis. Ir Dr LO considered that the Administration's proposal not well-thought out.

15. Mr CHAN Kam-lam suggested instead of granting the operating right of all 600 premium taxis to a few companies through franchising, the Administration could consider allocating a certain number for operation by the taxi trade so that they could also participate in providing premium taxi service and encourage the trade to improve service quality as a whole. Regarding requiring operators to maintain an employer-employee relationship with their drivers under the franchise, Mr CHAN pointed out that in the past, taxi owners used to hire drivers for providing taxi service. Due to upsurge in wage level and the need to comply with the provisions of the Employment Ordinance (Cap.57), taxi owners switched to rent out their taxis for a fee. He therefore queried the feasibility of an employer-employee relationship under the franchise model. Mr LEUNG Chi-cheung was also doubtful whether an employer-employee relationship would guarantee service quality. Mr POON Siu-ping asked whether the wage level under an employer-employee relationship proposed would be specified in the franchise.

16. STH made the following remarks in response to members' comments and enquiries on the introduction of premium taxis:

- a) the policy objectives of introducing premium taxis were to provide passengers with an additional choice other than ordinary taxis and address the needs of passenger groups with higher disposable income, rather than replacing ordinary taxis. Ordinary taxis would remain the major source of supply of personalized and point-to-point public transport service;
- b) there was certain demand in the community for personalized and point-to-point public transport services of higher quality and fare. These would be new passenger groups. The Administration had commissioned a consultant to conduct a telephone survey to collect public opinion on introducing premium taxis service in May 2016. The survey outcome indicated that if the fares were 60% to 100% higher than ordinary taxis (i.e. taxi fare at flagfall would be about \$35 to \$44), over 3% of the respondents would definitely use premium taxis. The number of premium taxis proposed to be introduced under the Trial Scheme (i.e. 600) would also amount to 3% out of some 18 000-odd taxis in Hong Kong;
- c) the Administration proposed to introduce premium taxi service through a franchise model given the limitations of the existing taxi operation model in ensuring the overall quality of taxi service in a sustained fashion. At present, some 18 000-odd ordinary taxi licences were all permanent in nature and issued without any

conditions directly related to the service quality. Regulation of taxi services could only be carried out by enforcement actions under the Road Traffic Ordinance (Cap. 374) and its subsidiary legislation;

- d) through the granting of franchises to a few companies to operate premium taxis, the Administration would be able to monitor the operators' performance through franchise terms. If the operators failed to meet the service level or standards prescribed under the franchise, the Administration could impose penalties or even revoke the franchise. Also, it was proposed that operators would be required to maintain an employer-employee relationship with their drivers under the franchises. This arrangement would help operators ensure the service quality;
- e) regarding the trade's proposal to make use of some ordinary taxis to operate premium taxi service, the proposal involved complicated legal, financial and policy issues, passengers needs and interests of various stakeholders. Its feasibility and reasonableness would have to be studied carefully;
- f) as regards members' views on the poor service quality of the ordinary taxis in general, it was not the Administration's intention to rely solely on using premium taxis as means to enhance the overall service quality of taxis. The Administration welcomed the trade's efforts to improve existing taxi service and would continue to work closely with them. While the Administration welcomed the use of new technology and initiatives to enhance the provision of personalized and point-to-point transport service, the Administration had repeatedly stressed that such provision of passenger service must be lawful. In this connection, the Administration would explore ways to enhance the processing of applications for HCPs to facilitate new market entrants in the provision of personalized transport services; and
- g) the Administration did not see itself as working behind closed doors when devising the proposal of introducing premium taxis. In fact, the Administration had earlier briefed the Panel on the general direction of the proposal in November 2015 and on several occasions, answered questions from Members at Legislative Council meetings. Moreover, the Administration had been actively engaging the taxi trade and had consulted their views on the policy direction of introducing premium taxis. The

Administration understood the trade's concerns and would continue to liaise with the trade and canvass their views in the course of the study. As the implementation of the Trial Scheme would necessitate legislative amendments, the Administration would have to solicit support from Members as well as the public towards the proposal before it could be successfully rolled out. There would be ample opportunities for the Legislative Council and the public to discuss the proposal.

*Operating details of premium taxis*

17. Mr Gary FAN and the Chairman enquired about the fare level of premium taxis and opined that there should be a significant difference between premium taxis and ordinary taxis fare so that the businesses of ordinary taxis would not be affected. The Chairman was of the view that the fare difference should be at least 50%.

18. The Chairman and Mr POON Siu-ping enquired about the operating area of premium taxis and expressed concern about the increase in traffic and congestion problem brought about by premium taxis. Ms Claudia MO and Mr CHAN Kam-lam opined that the name of "premium taxis" might have an implication that the service of ordinary taxis were of a lower quality and thus have a labelling effect. Both members suggested the Administration considered a more suitable name.

19. Ir Dr LO Wai-kwok, Mr CHAN Kam-lam, Mr Frankie YICK and Mr CHAN Han-pan expressed concern about granting the operating right of premium taxis by way of franchising only and enquired whether grantees of the franchise were required to pay any fee.

20. In response to members' enquiries on fare level of premium taxis, STH said that the role and positioning of premium taxis would be different from that of ordinary taxis. There would be a fare differential between premium taxis and ordinary taxis for market differentiation. The telephone survey conducted earlier indicated that if the fares of premium taxis would be 60% to 100% higher than those of ordinary taxis, over 3% of the respondents indicated that they would definitely use premium taxis. The Administration had commissioned a financial consultant to conduct a financial study on the fare level and the details were yet to be finalized. Meanwhile, the Administration was also studying whether any fees should be charged for the grant of the franchises. As regards operating area of premium taxis, it was preliminarily proposed that premium taxis would operate in the whole territory. Given the relatively small number of premium taxis to be introduced under the Trial Scheme, the Administration did not envisage any

significant impact on road traffic. As for the operation details (including the name of the new service), the Administration would keep an open mind during the study. The Administration would report to the Panel details regarding implementation arrangements by the end of 2016.

*Improving the service of ordinary taxis*

21. Mr WU Chi-wai opined that the problem of poor service quality of ordinary taxis could be attributable to a multitude of reasons: the fact that ordinary taxi licence were permanent in nature and therefore it was difficult to regulate their service; taxi owners and drivers did not have an employer-employee relationship, limitations on model choices of taxis and the Administration stopped issuing taxi licence since 1994, leading to taxi licence speculation and lack of competition in the market. He urged the Administration to resolve the above issues. Also, he suggested issuing new taxi licences so as to curb taxi licence speculation and encourage competition within the taxi trade for quality improvement.

22. Mr Charles Peter MOK also considered that the crux of the service quality problem of taxis was licence speculation. He called on the Administration to find ways to lower taxi licence value by issuing new taxi licences to curb speculation and encourage competition. Sharing similar views, Mr LEUNG Kwok-hung suggested the Administration buying back taxi licences in the market in order to address licence speculation problem.

23. STH agreed that the effectiveness of various efforts to enhance the overall service standards of ordinary taxis so far had not been entirely satisfactory. This was because taxi licences were perpetual in nature and did not have conditions directly related to service quality. Licence ownership and management of taxis were highly scattered and drivers' income was not necessarily related to service quality. All these explained the Administration's proposal of using a franchise model to operate premium taxis. As for the efforts to enhance service standard of ordinary taxis, the focus should be on service enhancement rather than the premium of the licence, as the latter might fluctuate in accordance with the macro-economic market situation. To meet the demand of Lantau taxi service, the Administration had recently issued new Lantau taxi licences. STH further said that any attempt to buy back taxi licences might be counterproductive as the action itself would stimulate speculation in the market. STH added that the Government was in support of the taxi trade's initiatives to improve service quality through self-regulation.

24. Mr Alvin YEUNG enquired whether the Administration had a full picture of the number of taxis that were operating on the street. He was of the view that

the Administration should have such information on the actual supply of taxi service in the market so as to devise effective and appropriate measures to enhance taxi service quality. STH replied that the Administration was aware of the situation that some taxis were left idle for various reasons including repair and insurance renewal. No statistics were however available.

25. Noting from paragraph 35 of the Administration's paper that the Administration would implement measures to improve the operating environment of taxi trade, Mr POON Siu-ping enquired about the implementation progress of those measures. Commissioner for Transport replied that the Administration was studying whether relaxing the no-stopping restrictions at "7 am to 7 or 8 pm" restricted zones for taxi trade operation would create any adverse impact on road traffic. Similarly, the Administration was reviewing whether the validity period of a taxi driver identity plate could be extended to more than 12 months so that the renewal could take place less frequently, and whether the requirement that applicants for taxi driving licence must hold a valid driving licence for driving private car or light goods vehicle for three years or above could be relaxed to ease the driver shortage problem. The above reviews were expected to be completed within 2016.

26. The Chairman suggested the Administration exploring the feasibility of installing cameras inside taxi compartments to facilitate the collection of evidence in handling complaints and taking enforcement actions against malpractices of taxi drivers. STH took note of the suggestion.

#### *Illegal hire car service*

27. Noting that illegal hire car service such as UBER was well-received by the public, Mr Alvin YEUNG enquired whether the Administration would introduce legislative amendments to existing regulations so as to allow the provision of such service. Mr James TO asked about the stance of the Administration towards illegal hire car service and whether the introduction of premium taxis would affect their operation.

28. STH replied that the Administration's stance towards illegal car hiring through the use of car-hailing service, such as UBER, was clear: any provision of passenger service must be compliant with the prevailing legislative provisions. A private car owner must obtain HCP before they could provide such service to passengers for reward. In this connection, the Administration would review the processing of applications for HCP to facilitate new market entrants and to ensure that the provision of personalized transport services could be kept in pace with the changing environment and meet emerging service demand. The Administration had no information on the market size of illegal car hiring service. As regards

premium taxis, STH said that hire cars and premium taxis were different transport services with different modes of operation. He did not see that the introduction of premium taxis would bring any direct adverse impact on the operation of hire car service.

29. Ms Claudia MO and Mr Charles Peter MOK said that the Administration should explore the operational feasibility and legality of developing share ride so as to economize the use of transport resources. In reply, STH said that the Administration was open to any suggestions that could enhance the provision of personalized and point-to-point transport service, but reiterated that the provision of such service should be in compliant with the prevailing legal provisions.

30. Mr Frankie YICK called on the Administration to devise measures to combat illegal practices of taxi drivers, and opined that penalties handed down by the courts on those illegal cases, especially repeated offenders, were too lenient to have any deterrent effect. STH replied that statistics suggested that the court had imposed heavier sentences on repeated offenders in recent years. The Administration would continue to closely monitor the situation.

*Increasing the seating capacity of public light buses*

31. Mr Gary FAN expressed disappointment that the Administration had proposed to increase the seating capacity of PLBs to 19 instead of 20. He said that the PLB trade had all along been calling for an increase in the seating capacity of PLB to 20 for many years. In fact, a majority of PLB vehicle models currently in use were able to install up to 20 seats, and there were at least five vehicle models available in the market that could accommodate 20 seats without exceeding the statutory limits on PLB dimensions. He therefore said that in making this decision, the Administration had given the public an impression that it was protecting the interests of the manufacturer of the PLB vehicle models currently in use in the market, and sought explanation from the Administration for not increasing the seating capacity to 20. Sharing similar views, Mr WU Chi-wai also called on the Administration to increase the seating capacity of PLBs to 20.

32. Mr Albert CHAN said that there would not be a major difference between 19 and 20, and did not see any significant impact on the operation of PLBs as well as other transport trades if the seating capacity of PLBs was to increase to 20. He suggested allowing PLBs to increase the seating capacity to 20 when replacing new fleet.

33. Mr James TO did not have a strong view on whether the seating capacity of PLBs should be increased to 19 or 20, as both numbers seemed to him as arbitrarily assigned by the Administration without strong justifications to

substantiate the numbers. As the trade had been calling for increasing the seating capacity of PLBs to 20, he opined that PLBs should be allowed to increase to 20 seats when replacing new fleet. Mr WONG Yuk-man also opined that there should be flexibility when deciding on the number of additional seats and the Administration should fully consult the trade before putting forward the proposal.

34. Mr CHAN Kam-lam was of the view that the Administration should allow flexibility and let PLB owners decide on the number of additional seats in accordance with passenger demand for a particular route, with the maximum level of increase to be 19 or 20. He also suggested that PLBs could increase the seating capacity up to the maximum level allowed when replacing their vehicles.

35. Mr CHAN Kin-por welcomed the Administration's proposal to increase the seating capacity of PLBs as this could mitigate the problems of long waiting time during peak hours, increase the carrying capacity of PLBs without adversely affecting the road traffic and increase the income of PLB operators thus alleviating the pressure of a fare increase. He opined that the Administration should respect the trade's views on the number of seats to be increased as they had first-hand knowledge of the operations and their needs, and the Administration should not exert any interference in this regard.

36. The Chairman and Mr WONG Kwok-hing welcomed the Administration's proposal to increase the seating capacity of PLBs. Both members also urged the Administration to introduce low-floor accessible PLBs for serving hospital routes to facilitate usage by wheelchair users and passengers in need. The Chairman suggested providing subsidy for the procurement of low-floor accessible PLBs, which were already available but more expensive than the normal model. He urged the Administration to complete the necessary legislative amendments expeditiously by end of 2016 so that the proposal could take effect as early as possible.

37. Mr CHAN Han-pan supported increasing the seating capacity of PLBs to 20 which had all along been requested by the trade, as there was unmet demand for some PLB routes during peak hours. He urged the PLB operators to, after the seating capacity increase proposal was implemented, keep its existing frequency, increase the salary of drivers, keep the fares frozen for at least two years and convert to using more environmentally-friendly models during the replacement of existing vehicles.

38. In response to members' comments, STH replied that in considering the number of seats to be increased, the Administration had considered a host of factors, including the passenger demand for PLB service which differed quite significantly during peak and non-peak hours, the profit and loss situation of PLB



routes, as well as the responses of other public transport trades towards the proposal. STH emphasized that the Administration would not consider the number of seat increase based on the vehicle models being commonly used by PLB operators, and would not favour any particular models or manufacturers. Given the occupancy rates of PLBs during peak and non-peak hours differed significantly, an increase in seating capacity to 20 might lead to supply surplus of PLB service, especially for those routes with lower patronage. In addition, other public transport trades held strong views against the seat increase proposal and expressed worry that a substantial increase would affect the current delicate balance amongst various public transport services. The fact that the seating capacity was last increased from 14 to 16 back in 1988 reflected that any change in the seating capacity of PLBs must be carefully considered and assessed. Taking into account the above factors, the Administration considered it appropriate that the seat number should be increased by not more than three.

39. As regards members' suggestion of allowing flexibility for operators to decide on the number of seats to be increased and in response to Mr POON Siu-ping's enquiry on whether different PLB routes might have different seating capacity, STH said that the Administration's current consideration was to increase the maximum seating capacity of PLBs, rather than to mandate all PLBs to adopt the same seating capacity. PLB operators might take into consideration the operational conditions and passenger demand of various routes under the same route package, and decide on their own whether to increase the seating capacity of their own vehicles, and, if so, the exact number of seats to be added and the time of implementation. As regards the use of low-floor accessible wheelchair vehicles, the Administration was exploring suitable vehicle models that could be used and would continue to discuss with the trade on the issue.

40. As regards whether existing PLB vehicles could be readily converted to 20 seats, Commissioner for Transport explained that although one of the vehicle models commonly used by PLB operators might be able to accommodate 20 seats, one seat would have to be added adjacent to the driver's seat. However, as this seat would be fixed on an elevated level due to the position of the vehicle engine, there were safety concerns when a passenger tried to get to/out of the seat. As such, the Administration did not consider increasing the seating capacity of the commonly used PLB vehicle model to 20 was a viable option. However, she admitted that an existing model in the market, currently limited in number, could be converted to 20 seats without the above safety concerns.

41. Ms Claudia MO and Mr Alvin YEUNG enquired whether it was feasible to undertake legislative amendments to the dimensions of PLB to accommodate more seats and even wheelchair. STH responded that the Government did not derive the proposed number of seat increase simply based on statutory vehicle

length. One of the key factors for consideration was passenger demand for and occupancy rates of PLB services, which might vary quite significantly during peak and non-peak hours. Hence the extent of seat increase must be carefully assessed. Interests of different other public transport trades must also be balanced. Commissioner for Transport replied that as a majority of PLB terminus facilities, boarding and alighting areas and other road designs were constructed based on the current statutory dimension, changes in the dimension of PLB would require modifications of many of these facilities. Whether it was technically feasible and desirable to do so would require further separate study.

42. Mr Frankie YICK criticized the Administration for not getting a complete and accurate picture of the operating difficulties faced by the PLB trade as the crux of the problem was the shortage of drivers. He urged the Administration to devise measures to strengthen the manpower supply for the trade. STH replied that the Administration noted the difficulties faced by the whole transport industry in recruiting drivers, and would actively study ways to attracting new blood.

43. The Chairman and Mr CHAN Han-pan suggested allocating those bus routes with low patronage for operation by PLB. STH replied that there were mechanisms in place for the Transport Department ("TD") to regularly review the allocation of transport resources in meeting public demand. TD would actively discuss with franchised bus companies and PLB operators on suitable rationalization plans, such as allocating bus routes with lower patronage for operation by PLBs. However, such proposals were often met with strong opposition from local communities and District Councils. The Administration would continue to listen to views of different stakeholders and introduce suitable rationalization plans for efficient allocation of transport resources if situation so warranted.

44. Noting that the operating revenue of PLB would increase with the additional seating capacity, the Deputy Chairman urged the Administration to liaise with the PLB trade to enhance the remuneration and working conditions of drivers, including setting standard meal time and rest time for PLB drivers. As drivers who rented the vehicles were required to pay a deposit to the vehicle owners, he asked if the Administration could improve this arrangement to protect the interests of the drivers. STH took note of the suggestion.

### **III. New franchise for the bus network of the Kowloon Motor Bus Co. (1933) Limited — views received through public engagement**

(LC Paper No. CB(4)1124/15-16(05) - Administration's paper on new franchise for bus network of the Kowloon

Motor Bus Company (1933) Limited — report on the public consultation on the new franchise

- LC Paper No. CB(4)1124/15-16(06) - Paper on the franchise for the bus network of the Kowloon Motor Bus Co. (1933) Limited prepared by the Legislative Council Secretariat (updated background brief)
- LC Paper No. CB(4)1129/15-16(02) - Submission from Anti Coercive Advertising Campaign
- LC Paper No. CB(4)1129/15-16(03) - Submission from Community for Road Safety
- LC Paper No. CB(4)1140/15-16(05) - Joint submission from members of the public)

45. At the invitation of the Chairman, Under Secretary for Transport and Housing ("USTH") briefed members on the views received through the public consultation on the new franchise for the bus network of The Kowloon Motor Bus Company (1933) Limited ("KMB") which had taken place between 26 January and 18 April 2016, details of which were set out in the Administration's paper LC Paper No. CB(4)1124/15-16(05). He said that the current franchise for the bus network of KMB would expire on 1 July 2017, and the Administration had invited views from the public on the requirements of the new franchise. The Administration aimed to conclude the discussion with KMB in respect of the new franchise terms within 2016, and would brief the Panel on the outcome in due course.

*(Post-meeting note: speaking note of USTH was issued to members on 22 June 2016 vide LC Paper No. CB(4)1157/15-16(02).)*

Discussion*Opening up bus service data for public use free-of-charge*

46. Noting from footnote 3 of the Annex to the Administration's paper that opening up of bus service data free of charge for use by third parties would require the consent of the concerned bus companies, Mr Charles Peter MOK expressed grave disappointment that the Administration had not put in sufficient efforts in mandating bus companies to fully open up bus service data for free use by third party mobile application developers upon renewal of the franchise. He pointed out that overseas cities, such as London and Singapore, in endeavouring to develop themselves into smart cities, were opening up their real-time transport data to facilitate the development of mobile applications for public use. He criticized that Hong Kong was lagging behind in this regard, and enquired whether the Transport and Housing Bureau would consider requiring KMB to open up bus service data under the new franchise for use by third parties, and seek the advice of the Department of Justice and the Innovation and Technology Bureau on the appropriate actions to be taken.

47. USTH explained that franchised bus service was provided by private operators in Hong Kong in accordance with commercial principles. Bus operators had, of their own accord, made substantial investment in developing and maintaining the systems for compiling real-time bus arrival data and disseminating such information to passengers with a view to providing better service. The data so collected were private property of the bus companies and pertained to their commercial operations. The disclosure of such data for uses by third parties would therefore require the consent of the bus companies concerned. He added that as bus operation in London and Singapore was government-funded, it might be inappropriate to make direct comparison among the three places in view of different operating environments.

*Enhancing service quality*

48. Mr WONG Yuk-man opined that despite the high fare, service quality of KMB buses remained unsatisfactory. Members of the public had all along been requesting KMB to improve its service quality. He enquired whether the views collected from the public consultation as listed in Annex to the Administration's paper would be used as the basis for granting the new franchise. Mr CHAN Han-pan urged the Administration to make good use of this opportunity of granting the new franchise to request KMB to implement quality improvement measures that the public had asked for a long time.

49. USTH replied that it was the Administration's aim to ensure that public expectations for better bus service could be met. In the course of discussing with KMB on the terms of the new franchise, the Administration would take into full consideration the comments and views canvassed through the public consultation and request KMB to propose measures to improve its service quality. It should be noted, however, that some of the suggestions received through public consultation might involve considerable additional investment. A proper balance would have to be struck between service improvement and maintaining the operating cost at a relatively stable level. This would help contain the pressure on fare.

50. Mr Gary FAN expressed concern about the annoyance brought about to passengers by the audio-visual broadcasting systems ("AV systems") inside the bus compartments, in particular from the sound volume and proportion of advertisements in the programme. He urged the Administration to regulate the volume of the AV systems on buses and the airtime allocated for advertisements shown on the AV systems. USTH replied that the Administration would actively follow up on the comments received on the AV systems with KMB.

#### *Bus fare and fare concessions*

51. Mr WONG Kwok-hing urged the Administration to discuss with KMB to reduce the fare differential between the section fare of cross-harbour routes after crossing the harbour and the fare of parallel local routes. USTH replied that the Transport Department ("TD") was exploring with the three grantees operating cross-harbour bus routes, including KMB, a trial scheme for narrowing the fare differential between certain cross-harbour routes after crossing the harbour and non-cross harbour routes. In doing so, considerations would be given to minimizing mismatch of bus resources, traffic congestion as well as the associated road-side air pollution. The Administration targeted to launch the small-scale trial scheme for one year starting from late 2016 on selected cross-harbour routes. In reply to Mr WONG's further enquiry on the trial scheme, USTH said that details of the trial scheme would be announced in due course. Mr Frankie YICK and Mr CHAN Han-pan also opined that KMB should be encouraged to offer more fare concessions, including bus-bus interchange concessions and inter-modal fare concessions, to passengers.

52. The Chairman was of the view that in the face of keen competition from railway services, the Administration should assist franchised bus operators in enhancing their competitiveness. In this regard, a distance-based fare system should be introduced such that bus fare of each passenger would be determined according to the distance travelled. Also, TD should make a pledge to approve fare concession applications from bus companies within one month after receipt of

such applications. This could enable the bus companies to quickly respond to changing market situations.

53. USTH replied that TD had an established mechanism to process fare concession applications from bus companies. Processing time of each application might vary, depending on the circumstances and details of each case. As regards the suggestion of introducing distance-based fare system, USTH said that currently passengers travelling a shorter journey could benefit from section fares, which were offered on 265 of all 377 bus routes (i.e. 70% of the routes) operated by KMB. The remaining routes without section fares were mainly short-haul routes. In reply to the Chairman's further enquiry on the possibility of setting bus fare according to the number of stations travelled by individual passengers, USTH replied that the suggestion should require careful consideration as it would bring about fundamental changes to the existing fare system. Its impact on the financial sustainability of bus operation would have to be critically assessed.

54. As regards KMB's application for a bus-bus interchange concession scheme between urban routes and airport routes as mentioned by the Chairman, Assistant Commissioner/Bus and Railway, Transport Department ("AC/TD") advised that TD was processing the application, pending the advice from the bus operators about their readiness for implementing the concession scheme.

#### *Bus routes rationalization*

55. Mr Frankie YICK commented that the commissioning of new railway lines in the coming years would directly affect passenger demand for bus service. There was a strong need to rationalize existing bus routes and to avoid duplication of transport resources with other transport modes such as minibuses and taxis. Sharing similar view, the Chairman suggested that bus routes with low patronage should be replaced by minibus routes so as to lessen the pressure on road traffic and roadside emission. Cutting down those bus routes operating at a loss would also improve the financial performance of bus companies. Noting that there had been strong opposition from District Councils ("DCs") when bus routes rationalization was proposed at the district level, Mr YICK and the Chairman urged the Administration to strengthen lobbying for the DCs' support by explaining to them the benefits of bus route rationalization.

56. USTH responded that bus companies would submit annual Route Planning Programmes to TD. If the occupancy rates for some bus routes dropped below a certain threshold, there might be a case for appropriate rationalization measures, such as deployment of single-deck buses instead of double-deck buses or reduction of frequency, so as to better utilize bus resources. In such cases, TD would consult the relevant DCs to solicit their support for the rationalization proposals.

He explained that the Administration might still need to press ahead with certain rationalization measures notwithstanding that there might be objection from the local communities to the proposals.

*Financial monitoring of KMB revenue*

57. Mr Gary FAN opined that the Administration should take into account non-fare box revenue generated by bus companies, including advertisement revenue and profits generated from the sale of property/land, when deciding on fare increase applications from bus companies. In reply, USTH said that non-fare box revenue, including advertisement revenue derived from the use of fixed assets, had all along been included in the franchise account, which would then be taken into account by the Administration when processing fare increase applications from bus companies. Meanwhile, income generated from the disposal of land would not be taken into account. This was because the depot sites concerned were acquired by KMB with shareholders' funds from the open market for depot uses a long time ago.

*Provision of toilets and kiosks for bus captains*

58. Mr WONG Kwok-hing opined that toilet and kiosks should be provided at every bus terminus for use by bus captains. AC/TD replied that starting from 2006, provision of toilets or kiosks for bus captains were standard requirements at newly built bus termini. For termini built before 2006, TD had been working with bus companies to provide toilets or kiosks subject to resolving the physical constraints or local objections. At present, there were over 280 bus termini across the territory. Over 96% of them were provided with toilets accessible within a walking distance of three minutes. The remaining termini were provided with toilets accessible within a walking distance of four to seven minutes. TD had solicited the agreement of the different bus companies to allow their bus captains to share toilet facilities at the termini. TD would continue to follow up with the bus companies and other departments for the necessary approval (if needed) on this.

**IV. MTR fare adjustment for 2016**

(LC Paper No. CB(4)1056/15-16(01) - MTR Corporation Limited's paper on MTR fare adjustment for 2016

LC Paper No. CB(4)1022/15-16(01) - Public consultation on the review of the MTR fare adjustment mechanism

provided by the Administration

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)1124/15-16(07) - 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))

59. At the invitation of the Chairman, Commercial Director of MTR Corporation Limited ("CD/MTRCL") briefed members about MTR Corporation Limited ("MTRCL") overall fare adjustment rate for 2016 at +2.65% and various fare concessions and promotions for 2016-2017 with the aid of a powerpoint presentation. She added that MTRCL was actively discussing with the Administration and stakeholders regarding the early review of the Fare Adjustment Mechanism ("FAM"). The last review was completed in 2013 and the next review was originally due for completion in 2018.

*(Post-meeting note: the powerpoint presentation material was issued to members vide LC Paper No. CB(4)1184/15-16(01) on 27 June 2016.)*

#### *Review on Fare Adjustment Mechanism*

60. Noting that the Administration and MTRCL would conduct an early review of FAM, Mr WONG Kwok-hing opined that MTR fare adjustment for 2016 should be put on hold pending the outcome of the review. USTH replied that as the review had not yet commenced, MTR fare adjustment for 2016 would be implemented in accordance with the existing FAM as set out in the Operating Agreement signed between the Administration and MTRCL. Although the Government was the majority shareholder of MTRCL, MTRCL's daily operation, including fare adjustment, was handled by the Corporation's management, in accordance with FAM as set out in the Operating Agreement.



61. Mr Frankie YICK opined that the Administration had provided support to MTRCL by adopting the rail-plus-property development model under which MTRCL was granted property development rights for topside development of some of the MTR stations when constructing railway projects. However, the existing FAM had not taken into account MTRCL's profits derived from property developments. He urged the Administration to consider such financial benefits when reviewing the FAM formula. Mr LEUNG Kwok-hung was of the view that being a public transport service provider, it was unacceptable for MTRCL to raise fare and reap huge profits every year. He suggested that MTRCL should increase the profit-sharing ratio and offer greater concessions to passengers.

62. USTH took note of members' suggestions and said that the main direction of the FAM review was to better respond to the public concern about MTRCL's profitability and passengers' affordability, whilst respecting the financial prudence required of MTRCL as a listed company. The review would also study whether and how MTRCL's profits would be taken into account in FAM. Members' suggestions would be considered during the FAM review.

*(At 12:37 pm, the Chairman extended the meeting for 15 minutes to 1:15 pm)*

#### *Fare concessions and promotion programmes*

63. Mr WU Chi-wai pointed out that after the FAM review in 2013, a profit sharing mechanism and a service performance arrangement were introduced under which MTRCL would offer fare concessions to passengers according to their profit level and service performance in a particular year. For 2016, an amount of \$186 million fare concessions would be offered to passengers via the "10% Same-Day Second-Trip Discount" promotion, lasting for around four months from June to October. He queried that the duration of the promotion was short in comparing with those in previous years. As the amount of fare concessions offered would be dependent on MTRCL's profit level in a particular year, he suggested that MTRCL should fully rebate the additional fare revenue arising from MTR fare increase to passengers.

64. Mr Frankie YICK considered that there were many different fare promotions offered by MTRCL and the passengers might not be aware of all the details. The Chairman, Mr WONG Kwok-hing and Mr YICK expressed serious concern whether the concessions, such as "MTR City Saver", "10% Same-Day Second-Trip Discount" and "Designated Saturday Offer" could address the transport need and affordability of passengers as these concessions could only be enjoyed by passengers subject to meeting some pre-conditions and not all passengers would be able to benefit. In addition, they opined that "Designated Saturday Offer" was only a promotional tactic aiming at encouraging weekend

passengers to switch from other transport modes to using MTR, rather than relieving the fare burden of regular MTR passengers. They urged MTRCL to differentiate commercial promotional initiatives from fare concessions in that the latter should be offered to passengers without any pre-conditions. The Chairman suggested the \$186 million fare concessions be fully utilized to benefit all passengers by offering 1% fare discount on all trips.

65. CD/MTRCL explained that an amount of \$175 million and \$11 million would be offered as fare concessions under the profit sharing mechanism and service performance arrangement respectively for 2016. The fare concessions of \$186 million would be provided via a "10% Same-Day Second-Trip Discount" programme which would last for around four months. In reply to Mr WU Chi-wai's comment that duration of the promotion was shorter than those in previous years, CD/MTRCL explained that in celebrating its 35<sup>th</sup> anniversary in 2014, MTRCL offered, of its own accord, a longer period for the "10% Same-Day Second-Trip Discount" programme than it was required under the profit sharing mechanism and service performance arrangement. Apart from this special event, the duration of the "10% Same-Day Second-Trip Discount" programme had all along been linked with the level of profit and service performance of MTR in a particular year since its introduction in 2013.

66. In an attempt to address different passengers' needs, CD/MTRCL further advised that for 2016, MTRCL would offer a wide range of fare concessions targeting at different groups of passengers, including weekday and weekend commuters, such as "Designated Saturday Offer". Passengers could choose the most suitable fare concessions according to their travel patterns. In fact, the number of new passengers brought about by these fare concession programmes was minimal. As regards the Chairman's suggestion of offering 1% fare discount on all trips, CD/MTRCL replied that FAM was last reviewed and revised in 2013 and that the suggestion required further study as the implementation would require modification to the ticketing system.

67. In reply to Mr Alvin YEUNG's enquiry on the feasibility of introducing "Designated Sunday Offer", CD/MTRCL took note of the suggestion and said that MTRCL was conducting passenger surveys on ways to enhance the fare concessions offered so as to better meet passengers' needs. MTRCL would continue to listen to views of the public in this regard.

68. Ir Dr LO Wai-kwok, Mr Frankie YICK and Dr KWOK Ka-ki opined that MTRCL should offer more fare concessions to people living in remote areas because of high MTR fares. Dr KWOK considered that the Administration's policy of using railway as backbone of public transport had limited the choice of public transport modes available to residents living in remote areas. Ir Dr LO

suggested that MTRCL should offer greater concessions to regular passengers who resided in remote areas and had to commute to school/work in urban areas. In response, USTH said that MTRCL had been offering fare concessions to medium- and long-distance MTR passengers, such as the "Monthly Pass Extras". These initiatives had been well-received by passengers. CD/MTRCL added that MTRCL had introduced "MTR City Saver" to offer frequent medium- to long-distance passengers commuting within the urban area. A discount amounting to 11% to 25% fare reduction was offered benefitting about 80 000 passengers per month. All full-time students under the age of 25 enjoyed about half-fare concessions with their personalized Octopus encoded with student status.

69. Noting the limited number of MTR Fare Savers, Mr Alvin YEUNG expressed concern that only passengers using a few selected stations could benefit from this promotion. He enquired about the factors considered by MTRCL in installing additional MTR Fare Savers and suggested that at least one MTR Fare Saver should be provided for each station. Mr WONG Kwok-hing opined that for places where there was no railway coverage, such as Siu Sai Wan, MTR Fare Savers should be provided so as to subsidize the feeder trip required to connect the places concerned with nearby MTR stations.

70. CD/MTRCL took note of members' suggestions. She said that in considering the installation of MTR Fare Savers, various factors, like electricity supply, security, distance from MTR stations etc. would be taken into account. As the promotion involved providing a fare discount to passengers, MTRCL would also need to consider the cost implications of additional MTR Fare Savers. All along, MTRCL had received passengers' requests for installing MTR Fare Savers, and would actively follow up these requests and consider the feasibility on a case-by-case basis.

Admin 71. At the request of Mr Alvin YEUNG, CD/MTRCL undertook to provide information regarding the locations of MTR Fare Savers and the corresponding MTR stations, the criteria in setting up new MTR Fare Savers and whether MTR had plan to install additional MTR Fare Savers in the vicinity of MTR stations after the meeting.

#### *Service enhancements*

72. Noting that MTRCL had procured 10 Light Rail vehicles ("LRVs") in 2015-2016, the Chairman enquired whether MTRCL had plan to procure additional LRVs in 2016-2017 to ease the crowdedness problems of Light Rail during peak hours. He said that as the population in the North West New Territories would continue to grow in the coming few years, it was imperative that the Administration and MTRCL should implement measures, such as using more

coupled-set LRVs, to increase the overall carrying capacity of Light Rail. CD/MTRCL advised that the procurement of the 10 LRVs was underway. In alleviating the crowdedness problems of the Light Rail especially during peak hours, MTRCL had increased service frequency and deployed coupled-set LRVs to cope with service demand wherever possible. In relation to deploying more LRVs to service, MTRCL would need to further discuss with TD regarding the usage of road space and junctions in order not to affect the right of other road users. USTH supplemented that as the Light Rail adopted an open design and operated at grade in conjunction with other modes of transport services, the use of coupled-set LRVs would need careful consideration taking into account the road space usage and geographical limitations of some of the road sections and platforms of the Light Rail. Having said that, the Administration had requested MTRCL to devise measures to solve the crowdedness problems of the Light Rail during peak hours, including the use of additional coupled-set LRV to cope with service demand where it was feasible to do so.

73. Dr KWOK Ka-ki enquired about the timetable for MTR to install toilets and water drinking facilities at every MTR station. CD/MTRCL replied that MTRCL understood the public's demand for improved station facilities, including toilets and breast-feeding facility. In this regard, new toilets had been installed for public use since 2015 in Mong Kok and Prince Edward stations. In addition, if passengers required breast-feeding facility, they could approach MTR staff for assistance. A dedicated private area could be provided for use. MTRCL would continue to listen to the views of passengers in providing quality services to meet their demands.

## **V. Any other business**

74. There being no other business, the meeting ended at 1:09 pm.