

立法會
Legislative Council

LC Paper No. CB(4)1616/16-17
(These minutes have been seen
by the Administration)

Ref : CB4/PL/TP/1

Panel on Transport

**Minutes of meeting held on
Friday, 21 April 2017, at 9:30 am
in Conference Room 1 of the Legislative Council Complex**

Members present : Hon CHAN Han-pan, JP (Chairman)
Dr Hon KWOK Ka-ki (Deputy Chairman)
Hon Abraham SHEK Lai-him, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon LEUNG Che-cheung, BBS, MH, JP
Dr Hon Helena WONG Pik-wan
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon HO Kai-ming
Hon LAM Cheuk-ting

Hon Wilson OR Chong-shing, MH
Hon CHAN Chun-ying
Hon Tanya CHAN
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon YIU Chung-yim

Members attending : Hon James TO Kun-sun
Hon Alice MAK Mei-kuen, BBS, JP

Members absent : Hon Jeffrey LAM Kin-fung, GBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Dr Hon Junius HO Kwan-yiu, JP
Hon YUNG Hoi-yan
Hon Kenneth LAU Ip-keung, MH, JP

[According to the Judgment of the Court of First Instance of the High Court on 14 July 2017, LEUNG Kwok-hung, Nathan LAW Kwun-chung, YIU Chung-yim and LAU Siu-lai have been disqualified from assuming the office of a member of the Legislative Council, and have vacated the same since 12 October 2016, and are not entitled to act as a member of the Legislative Council.]

Public Officers attending : **Agenda item III**

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

Ms Rebecca PUN Ting-ting, JP
Deputy Secretary for Transport and Housing
(Transport)¹

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

Mr CHUI Wing-wah
Deputy Director of Highways
Highways Department

Mr Albert LIU Ho-hoi
Assistant Director/Development
Highways Department

Mr Samson LAM Sau-sang
Chief Traffic Engineer/New Territories West
Transport Department

Agenda item IV

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

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

Agenda item V

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 Stella LEE
Assistant Commissioner for Transport/ Management
and Paratransit

**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

Ms Maggie SO
General Manager — Corporate Relations
MTR Corporation Limited

Clerk in attendance : Ms Doris LO
Chief Council Secretary (4)6

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

Ms Emily LIU
Legislative Assistant (4)6

Action

I. Information papers issued since the last meeting

(LC Paper No. CB(4)730/16-17(01) - Letter dated 20 March 2017
from Hon Holden CHOW
Ho-ding on withdrawal of
membership

LC Paper No. CB(4)747/16-17(01) - Letter from Hon LAM
Cheuk-ting on the delay in the
construction of the Tuen
Mun-Chek Lap Kok Link

LC Paper No. CB(4)786/16-17(01) - Administration's response to the letter from Dr Hon KWOK Ka-ki on the provision of hire car service using mobile applications

LC Paper No. CB(4)873/16-17(01) - Submission from the Hong Kong Blind Union proposing introduction of warning sound generating devices on electric vehicles)

Members noted the above papers issued since the last meeting.

II. Items for discussion at the next meeting

(LC Paper No. CB(4)839/16-17(01) - List of outstanding items for discussion

LC Paper No. CB(4)839/16-17(02) - List of follow-up actions)

2. Members agreed to discuss the following items at the next regular meeting to be held on 19 May 2017 –

- (a) Proposed retention of three supernumerary posts; and extension of internal redeployment of one permanent post in the Hong Kong-Zhuhai-Macao Bridge Hong Kong Project Management Office of the Highways Department;
- (b) Legislative amendments relating to the Government's takeover of Tate's Cairn Tunnel; and
- (c) Parking Policy.

(Post-meeting note: Upon the request of the Administration and with the concurrence of the Chairman, an item on "Proposals on revision of certain fees and charges under the Road Traffic Ordinance and its regulations" was subsequently added to the agenda of the meeting to be held on 19 May 2017, and item (a) above was deferred. The agenda with the changes made was issued vide the notice of the meeting on 4 May 2017 (LC Paper No. CB(4)974/16-17).)

3. On Mr LAM Cheuk-ting's enquiry on the scope of item (c) above and whether it would cover the provision of parking spaces for motorcycles, the Clerk replied that the item was proposed by the Administration and a discussion paper detailing the issues covered would be provided by the Administration before the meeting. The Chairman also referred members to item 3 on "Parking Policy" on the Panel's list of outstanding items for discussion which provided a brief description on the item, as well as members' previous requests to discuss related issues including the provision of parking spaces for private cars and motorcycles.

4. On agenda item IV on "Adjustment of Airport Express Fares" of today's meeting, Mr CHU Hoi-dick expressed concern that once the Panel proceeded to discuss the item, the MTR Corporation Limited ("MTRCL") would be deemed to have fulfilled the requirement that it should "consult the Panel on Transport of the Legislative Council" prior to the fare revision of the Airport Express ("AEL") under the existing mechanism. He worried that members might have dissenting views on the proposed revision, but there was insufficient time for them to consider the relevant paper from MTRCL. He indicated that he would move a motion to adjourn the discussion on the item.

5. The Chairman advised that adequate notice was given to members on inclusion of this item on the agenda of the meeting. He believed that the Panel would conduct a comprehensive discussion on the proposed fare revision, and members would fully express their views. He further advised that if any member wished to move a motion to adjourn the discussion on an item, the member might do so during the discussion on the relevant item. If the motion was agreed to, the discussion on the item would be adjourned.

III. 185TB—Lift and Pedestrian Walkway System between Tai Wo Hau Road and Wo Tong Tsui Street, Kwai Chung

(LC Paper No. CB(4)839/16-17(03) - Administration's paper on
185TB — Lift and
Pedestrian Walkway System
between Tai Wo Hau Road
and Wo Tong Tsui Street,
Kwai Chung

LC Paper No. CB(4)839/16-17(04) - Paper on the provision of
hillside escalator links and
elevator systems prepared
by the Legislative Council
Secretariat (background

brief)

- | | |
|---------------------------------|--|
| LC Paper No. CB(4)839/16-17(05) | - Joint submission from two Kwai Tsing District Council members and a Community Officer from DAB Kwai Tsing Branch |
| LC Paper No. CB(4)881/16-17(01) | - Submission from a member of the public) |

6. At the invitation of the Chairman, Under Secretary for Transport and Housing ("USTH") briefed members on the funding proposal for upgrading 185TB "Lift and Pedestrian Walkway System between Tai Wo Hau Road and Wo Tong Tsui Street, Kwai Chung" ("the Project") to Category A at an estimated capital cost of \$249.4 million (in money-of-the-day prices). With the aid of a powerpoint presentation (LC Paper No. CB(4)895/16-17(01)), Assistant Director/Development of the Highways Department ("AD/D of HyD") then briefed members on the Project.

7. The Chairman reminded members that in accordance with Rules 83A and 84 of the Rules of Procedure ("RoP") of the Legislative Council ("LegCo"), they should disclose the nature of any direct or indirect pecuniary interests relating to the subject under discussion at the meeting before they spoke on the subject.

Implementation progress

8. Ms Alice MAK pointed out that residents of the Kwai Tsing District had long requested for a lift and pedestrian walkway system connecting Tai Wo Hau Road and Wo Tong Tsui Street over the years, yet they would still need to wait until 2021 when the Project was expected to be completed. Ms MAK and Mr POON Siu-ping both asked if the Administration would expedite the implementation progress such that the needs of the local residents, in particular the many elderly residents in the district, could be met as soon as possible. Mr POON proposed increasing manpower for construction to speed up the progress. In the light of the backlog of funding proposals pending approval by the Finance Committee ("FC"), the Chairman worried that the funding proposal of the Project might possibly not be dealt with within the current legislative session, and thus causing delay in its implementation. He therefore asked if the Administration had any contingency plan.

9. In response, Deputy Director of Highways ("DDHy") explained that the Project would take around 30 months or more taking into account various essential works processes, including site formation, structural and foundation works, installation of electrical and mechanical facilities. Further addition of manpower would not have much practical effect in speeding up the works. The Administration would seek funding from FC shortly to commence the works as soon as possible. That said, USTH added that if funding approval of FC could not be secured within the current legislative session, the implementation of the Project would inevitably be affected.

Adoption of the inclined lift system

10. Mr CHAN Chun-ying pointed out that the inclined lift system of about 40 metres in length adopted in the Project was much longer than the 21-metre long escalator at Langham Place where an accident had recently occurred, as well as the longest escalator of 26-metres in the territory at Hong Kong Design Institute. He raised concern about the safety of this inclined lift system, and asked if the Administration would consider dividing it into two to three sections.

11. DDHy advised that the design and mechanical standards of inclined lift systems were different from that of escalator systems. Inclined lift systems had also been designed to a very high safety standard. While escalator systems were not suitable for wheelchair users, inclined lift systems could serve all, including aged and disabled, passengers well. The Administration considered that adoption of an inclined lift system was suitable for the Project taking into account the actual circumstances of the location and the local residents' needs.

12. Ir Dr LO Wai-kwok opined that inclined lift systems and escalators had their merits and demerits, in that the former could accommodate wheelchair users and provide barrier-free access, whereas the latter could save users' waiting time. He asked about the waiting time for the proposed inclined lift system, and whether the Administration would consider substituting one of the two inclined lifts for an escalator.

13. AD/D of HyD said that the inclined lift system was adopted in response to the local residents' keen demand for a safe barrier-free access at that location. He explained that adopting two inclined lifts in the design was due to the consideration that when one of the inclined lifts was out of order or under maintenance, the other one could still provide barrier-free access to passengers. As regards the trip time of the inclined lift system, he said that it would take about 100 seconds per trip, inclusive of about 40 seconds waiting

time. The said trip time would be comparable to the alternative of installing a vertical lift and elevated walkway system at the location concerned.

14. Ms Alice MAK asked if similar inclined lift systems were adopted in Hong Kong, and whether there were technicians equipped with relevant skills to carry out the maintenance and repair works. She also asked if air-conditioning would be provided inside the inclined lifts, as well as about the carrying capacity of the inclined lifts, in particular, how many wheelchairs could be accommodated.

15. DDHy indicated that while this was the first public lift system that used inclined lifts, such inclined lift systems had indeed been adopted in some private developments, such as in Discovery Bay, revitalization project of the Old Tai O Police Station, and Po Fook Hill Columbarium. He advised that the skills required for maintenance of inclined lift systems were similar to that for vertical lifts. As regards the provision of air-conditioning inside the lifts, DDHy explained that although no air-conditioning would be provided inside the lifts due to energy saving considerations, appropriate ventilation designs including installation of a mechanical ventilation system and provision of louvers along the lift structure would ensure comfort of the users. To limit the sunlight entering the lifts, the Administration would build a cover over the inclined lift systems and use less curtain wall surface. He further advised that each lift would have the capacity of carrying not less than 21 persons, and there would be sufficient space inside the lifts for wheelchairs. Handrails would also be installed inside the lifts.

Proposals for hillside escalator links and elevator systems

16. Mr Wilson OR indicated that he and the Democratic Alliance for the Betterment and Progress of Hong Kong welcomed the Administration's initiative to build hillside escalator links and elevator systems ("HEL"), but were gravely disappointed about the sluggish progress in taking forward the relevant proposals. Of the existing 18-ranked HEL proposals, only two had been completed and opened for public use. Mr OR and Mr POON Siu-ping demanded the Administration to streamline the administrative procedures and speed up processing of the remaining proposals. Mr OR further requested the Administration to provide supplementary information on the follow-up process and implementation progress of each of the 18 ranked proposals of HEL.

(Post-meeting note: The supplementary information in Chinese and English versions provided by the Administration were issued to members vide LC Paper No. CB(4)1358/16-17(01) on 4 and 13 July

2017 respectively.)

17. USTH said that in 2009, the Administration established a set of scoring criteria for assessing proposals for HEL in Hong Kong and determining the priority for conducting preliminary technical feasibility studies for the proposals. Of the 20 proposals received at that time, two proposals were screened out, and 18 others were ranked. The Administration had since then taken forward the 18-ranked proposals progressively, yet the relevant works were complex and the time required for each works project varied with actual circumstances. Besides, such works projects usually involved complicated processes and significant amount of project costs, and were relatively controversial in nature. DDHy reported that among the remaining proposals, two were completed; one was partially completed; two were under construction; one was undergoing tendering procedures and seven other proposals were at different stages of investigation and design. With a view to speeding up the implementation, the Highways Department would allocate additional resources for undertaking the relevant works and seek funding approval from LegCo as soon as a project was ready for implementation.

18. On members' enquiries about the handling of new HEL proposals received, USTH advised that a study would commence in end-2017 to review and improve the existing assessment mechanism. The Administration would on the basis of the enhanced assessment mechanism carry out screening, traffic assessments and preliminary technical feasibility assessments for over a hundred of HEL suggestions received over the past years with a view to formulating the way forward for these suggestions in future.

19. For the purpose of better monitoring of the progress of the HEL projects and relevant issues, the Chairman proposed to set up a subcommittee on HEL under the Panel on Transport. A paper setting out the proposed Terms of Reference and work plan of the subcommittee would be prepared for members' consideration at the next regular meeting. Members agreed.

20. The Chairman invited members to indicate whether they supported the Administration's funding proposal and submission of it to the Public Works Subcommittee. Members raised no objection.

IV. Adjustment of Airport Express Fares

(LC Paper No. CB(4)839/16-17(06) - MTR Corporation Limited's paper on 2017 fare revision for Airport Express

LC Paper No. CB(4)839/16-17(07) - Paper on fare adjustment of Airport Express Line prepared by the Legislative Council Secretariat (background brief))

Motion to adjourn the discussion

21. Mr Nathan LAW moved a procedural motion seeking to adjourn the discussion on this agenda item.

22. The Chairman decided that he would make reference to Rule 40 of RoP to deal with this adjournment motion first. Due to the limited time allotted for this agenda item, he would not allow discussion on the adjournment motion, but would allow Mr Nathan LAW, the motion mover, to speak on the motion before putting it to vote.

23. Dr Helena WONG queried the Chairman's decision of not allowing discussion on the adjournment motion, as members were allowed to speak on adjournment motions at Council meetings or meetings of FC and its subcommittees when such motions were moved.

24. At the invitation of the Chairman, the Clerk said that unlike Council meetings and meetings of FC and its subcommittee where there were expressed rules on the handling of adjournment motions thereat, there was no provisions in RoP or the House Rules specifying how such motions should be dealt with at Panel meetings. The Panel Chairman had the discretion to, pursuant to Rule 43 of RoP, decide whether and how Rule 40 of RoP should apply to the proceedings at Panel meetings, including disallowing discussion on the adjournment motions moved and directly putting them to vote.

25. The Chairman said that as the Panel Chairman, he had the responsibility to ensure efficient use of the limited meeting time to properly deal with the items on the agenda. The Panel could not afford using up considerable meeting time for discussing a procedural motion. As such, he reiterated that he would not allow discussion on the adjournment motion moved by Mr Nathan LAW. The Chairman then invited Mr Nathan LAW to speak on his motion.

26. Mr Nathan LAW explained his intention to adjourn the discussion on the proposed fare revision for AEL. He said that under the Operating Agreement ("OA"), MTRCL had the autonomy to increase the fares of AEL as long as it had taken the steps of, among others, consulting the Panel.

MTRCL was not bound to heed any opposing views from members during the consultation. Further, MTRCL submitted its paper on the fare revision for AEL to the Panel only three days before the meeting, leaving hardly sufficient time for members to consider the proposal. In the paper, MTRCL had not provided adequate information for substantiating the fare increase. It had not reported on the financial performance of AEL, or advised whether and how far AEL could meet the originally projected internal rate of return ("IRR") of 10% over a 40-year operating period. Referring to the results of passenger acceptance survey in Annex 2 to the paper, Mr LAW pointed out that the figure of 63% local residents interviewed who considered an overall fare increase of 10% acceptable was jacked up by including those who were "neutral" to the said fare increase. Mr Nathan LAW indicated his objection to the proposed fare revision, and called upon members to support his adjournment motion.

27. Mr Abraham SHEK declared that he was an independent non-executive director of MTRCL.

28. The Chairman put to vote the adjournment motion moved by Mr Nathan LAW. At members' requests, the Chairman ordered a division and that the voting bell be rung for five minutes. A total of 11 members voted for the motion, 11 members voted against it and none abstained from voting (details of division were in the **Appendix**). The Chairman announced that the motion was not carried. The Panel then proceeded with the discussion on the agenda item.

29. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport) 2 ("DS(T)2") indicated that the fares for AEL had remained unchanged for nearly 20 years since its opening in 1998. With the aid of a powerpoint presentation [LC Paper No. CB(4)895/16-17(02)], Commercial Director of MTRCL ("CD/MTRCL") then briefed members on the fare revision proposal.

Justifications for the proposed fare increase

30. Mr Nathan LAW continued to press upon MTRCL for the financial and operational information of AEL. Further, he and Mr LEUNG Kwok-hung both asked about the net percentage of all respondents who indicated that an overall fare increase of 10% was acceptable in the passenger acceptance survey, without mixing with those who were "neutral".

31. CD/MTRCL advised that given the sharing of infrastructure facilities between AEL and Tung Chung Line ("TCL"), it was not feasible to accurately

work out a standalone financial statement for AEL. She generally stated that AEL had been experiencing financial losses since its opening due to high operating costs, and not until the year 2015 had it started to achieve financial balance through cost control measures. She also advised that since 1998 when the projected IRR was made, there had been changes to the factors affecting AEL's operations, such as the number of bus routes serving the airport, and the tolls of the Lantau Link.

32. On the outcome of the passenger acceptance survey, General Manager — Marketing and Planning of MTRCL ("GM(M&P)/MTRCL") advised that of the 67% respondents accepting an overall fare increase of 10%, 39% indicated "definitely acceptable" and "acceptable", 28% indicated "neutral". The other 33% indicated that the proposed fare increase was "unacceptable" or "definitely unacceptable".

33. Mr Jeremy TAM requested for further details on how the operating costs and revenues of AEL and TCL were apportioned, the annual operating costs and revenues of AEL after apportioning, and a comparison of the current and originally projected daily patronage of AEL, etc., as well as whether the construction cost of AEL had been fully recovered. Mr CHU Hoi-dick urged MTRCL to make clear all relevant financial information for justifying the fare increase. It was deficient to justify by stating the high operating costs alone but not mentioning the profit gained. He further asked if MTRCL would insist on the fare increase despite members' objections.

34. While reiterating that an accurate standalone financial statement for AEL was not feasible, CD/MTRCL said that based on the internal accounting records of MTRCL, the financial losses of AEL before 2014 amounted to some tens of million to several hundred million dollars. Although AEL's account was able to break even since 2015, a fare increase was necessary due to the increasing operating costs. MTRCL's board of directors would, having considered the views of the Panel and that of the Transport Advisory Committee expressed during consultation, resolve to approve the new fares.

35. Ms Claudia MO accused MTRCL for consulting the Panel perfunctorily as a mere formality. She was discontented that MTRCL had plainly used the reason of commercial sensitivity for not providing the financial information. Likewise, Dr CHENG Chung-tai considered it totally unacceptable for MTRCL to skimp on the financial information necessary for facilitating members' consideration. It had not even mentioned about the sampling method of the passenger acceptance survey. He did not think the Panel could conduct meaningful discussion without the information needed.

36. CD/MTRCL responded that MTRCL had duly fulfilled the disclosure requirements in respect of financial information for listed companies. She had to further study on the release of the financial information of AEL per members' requests as appropriate.

37. As for the passenger acceptance survey, CD/MTRCL advised that an independent market survey company was engaged to conduct the survey by random sampling. The questionnaire was designed carefully to ensure that each sample collected was representative of the target group of passengers. Samples not meeting relevant profile were not counted towards the required sampling size. GM(M&P)/MTRCL supplemented that the survey was conducted on board AEL trains and at AEL stations by randomly selecting passengers for face-to-face interview using the structured questionnaire. On Dr CHENG Chung-tai's request, MTRCL agreed to provide a copy of the questionnaire and details of the sampling method.

38. Mr LEUNG Che-cheung queried why MTRCL had not increased the fare earlier when AEL was running at a loss, but at the current stage when its financial position had improved. Albeit the high fares of AEL, many passengers had been forced to use AEL as it was more convenient than some other means of transportation between the airport and the urban areas. If a clear picture on the financial performance of AEL was not given, it was rather difficult to convince members and the public on the proposed fare increase.

39. Mr CHAN Hak-kan indicated that the Democratic Alliance for the Betterment and Progress of Hong Kong did not support the fare increase proposal of AEL. He was utterly disappointed that MTRCL, counting upon its full autonomy of AEL's fare, was disrespectful to members by consulting them as a mere formality. He urged the Administration to introduce a fair and just mechanism to regulate the fare adjustment of AEL.

40. The Chairman concluded that although there was reasonable cause for adjusting the fare of AEL which had remained unchanged for nearly 20 years, MTRCL should have provided adequate information when consulting members. He demanded the Administration and MTRCL to properly respond to members' legitimate requests for the disclosure of the financial information of AEL and details on the apportioning of shared facilities between AEL and TCL for their further considerations.

41. DS(T)2 stressed that the Administration would work with MTRCL striving to provide relevant financial information of AEL while observing the limitations on the disclosure of commercially sensitive information of MTRCL as a listed company.

(*Post-meeting note:* The Administration's written response was issued vide LC Paper No. CB(4)964/16-17(01) on 4 May 2017.)

Mechanism for fare adjustments

42. Mr Michael TIEN expressed his views that as fare increases were inevitably controversial, fare autonomy of AEL was not practicable. He suggested that in the long run, fare adjustment proposals of AEL should be subject to approval by the Executive Council taking into account a basket of objective factors, just like the fare review mechanism of franchised buses.

43. DS(T)2 responded that it was stipulated in OA signed between the Government and MTRCL in 2007 that unlike other railway lines, the Fare Adjustment Mechanism was not applicable to the adjustment of AEL fares. MTRCL would enjoy fare autonomy over AEL as long as OA was in effect. OA was a legally binding document and any revisions thereto should be mutually agreed by both parties. Notwithstanding that, OA set out clearly the due process regarding the fare adjustment for AEL and any fare adjustment proposal had to go through such process as prescribed in OA.

Fare concessions

44. Dr Helena WONG said that AEL was a convenient means of transportation directly connecting the airport and the urban areas for most travellers. Most of them would find the fare level of AEL acceptable even after the overall fare increase by 10.3%. However, for local residents using AEL for daily commuting, the high fare increase would add to their burden of travelling expenses. As such, she suggested freezing the fares for local residents, whilst introducing steeper increases for travellers using AEL.

45. CD/MTRCL and GM(M&P)/MTRCL advised that the existing promotional fares such as Group Tickets, Airport Travel Pass, and festive promotions for children and the elderly, which were welcomed by many local people, would remain unchanged. For example, Group Tickets offered 15% to 30% discounts depending on the number of passengers travelling in the group. Around 6 000 to 7 000 AEL passengers were using Group Tickets each day and they would continue to benefit from the promotional fares.

46. Mr YIU Si-wing asked if MTRCL would consider expanding the concessions in respect of Octopus fares to benefit more local people. GM(M&P)/MTRCL replied that the fare revision proposal of AEL had already taken care of the needs of different passengers. Adjustments on Octopus fares would be lower than that on single journey ticket fares.

47. Mr CHAN Chi-chuen pointed out that passengers usually had to wait in long queues to buy Round Trip Tickets at AEL stations. To bring convenience to passengers, he suggested extending the round trip fare concessions to passengers using Octopus cards. Further, he considered the proposed rates of increase for Round Trip Tickets quite high. The fare of Round Trip Tickets between Kowloon Station and Airport Station would be increased by 18.8%. He asked if the passenger acceptance survey had reflected the high rates of increase for Round Trip Tickets. CD/MTRCL noted his views. She explained that the passenger acceptance survey aimed at gauging passenger acceptance towards the overall fare increase, and as such it had not detailed the respective fare increases for individual types of tickets.

Service enhancements

48. Mr YIU Si-wing urged MTRCL to enhance the facilities and services of AEL after the fare increase. He suggested providing more in-train power charging facilities for passengers to charge their mobile devices or laptop computers, and disseminating real-time flight information on board AEL trains. CD/MTRCL replied that MTRCL had kept on improving the facilities and services of AEL, and would consider Mr YIU's suggestions.

49. Mr Andrew WAN asked why in-town check-in service for major airlines was only available at Hong Kong Station and Kowloon Station, but not at Tsing Yi Station. General Manager — Corporate Relations of MTRCL advised that at the planning stage of AEL, designated space were reserved at Hong Kong Station and Kowloon Station for installing the facilities, such as counters and baggage conveyor belts, required for the provision of in-town check-in service. It was considered that provision of such service at these two AEL stations located in the city centre could adequately meet the passenger demand. MTRCL had no plan to provide such service at Tsing Yi Station, given the financial implications and need for suitable space for installing the required facilities.

Increase in parking fees at the Hong Kong International Airport

50. Mr Charles MOK and Mr CHAN Hak-kan pointed out that the AEL fare increase and the increase in the parking fees at the Hong Kong International Airport ("HKIA") would take effect at the same time in June 2017. They were gravely disappointed that the Administration had not duly coordinated and rationalized the fare/fees increases. Many people who preferred taking AEL or driving to the airport were not given a choice. Mr MOK asked if the Administration would provide information to the Panel on the adjustment of parking fees at HKIA. DS(T)2 noted members'

concern. He said that adjustment of parking fees at HKIA should be under the purview of the Airport Authority. He would see whether and how best relevant information could be provided to members for reference after the meeting.

(Post-meeting note: The Administration's written response was issued vide LC Paper No. CB(4)1146/16-17(01) on 2 June 2017.)

Motions

51. After discussion, Mr Nathan LAW moved the following motion:

本委員會要求港鐵公司擱置調整機場快線票價，直至進行車費詳細評估，包括顧客問卷調查、市場競爭[調查]、乘客需求估計、海外機場鐵路收費比較、不同水平車費之財務影響等等，才再次諮詢本委員會。

(Translation)

This Panel requests that the MTR Corporation Limited to shelve the fare adjustment of the Airport Express, and consult this Panel again only after conducting a detailed fare assessment, covering a customer questionnaire survey, market competition survey, an assessment of passenger demand, a comparison of the fares of overseas airport railways, the financial implications of different fare levels, etc.

52. The Chairman put the motion to vote. A total of 16 members voted for the motion, three members voted against it and none abstained from voting. The Chairman declared that the motion was carried.

53. Mr Nathan LAW moved the following motion:

就機場快線的票價，港鐵應獲立法會交通事務委員會通過相關加價建議，才能加價。

(Translation)

Regarding the fares of the Airport Express, the MTR Corporation Limited should only increase the fares after the relevant fare increase proposal has been endorsed by the Panel on Transport of the Legislative Council.

54. The Chairman put the motion to vote. A total of 14 members voted for the motion, five members voted against it and two members abstained from voting. The Chairman declared that the motion was carried.

55. Mr Jeremy TAM moved the following motion:

本會要求港鐵提交機場快線營運數據，包括但不限於盈虧表、優惠票比例、[機場快線]與東涌線的折舊及維修[費用]分攤計算方法。

(Translation)

This Panel requests the MTR Corporation Limited to provide the operation data of the Airport Express ("AEL"), including but not limited to the profit and loss statement, the proportion of concession tickets and the method of apportioning the depreciation and maintenance costs between AEL and the Tung Chung Line.

56. The Chairman put the motion to vote. A total of 21 members voted for the motion, none voted against it and none abstained from voting. The Chairman declared that the motion was carried.

57. Mr Michael TIEN moved the following motion:

鑒於港鐵公司就機場快線過去廿年未有調整[機場快線票]價格，而機場快線票價調整建議的整體幅度為10.3%。根據政府與港鐵公司於2007[年]兩鐵合併簽訂的《營運協議》，票價調整機制不適用於機場快線票價。港鐵公司就機場快線票價享有票價自主，引起社會上意見不一。本委員會促請政府就機場快線票價調整建議必須經過行政會議審批，從而與專營巴士票價調整審批程序看齊。

(Translation)

The MTR Corporation Limited ("MTRCL") has not revised the fares of the Airport Express ("AEL") for the past 20 years and its proposed overall fare revision rate is 10.3%. In accordance with the Operating Agreement signed between the Government and MTRCL upon the rail merger in 2007, the Fare Adjustment Mechanism is not applicable to the fares of AEL. MTRCL's autonomy over the fares of AEL has drawn diverse views in the community. This Panel urges the Government that the proposed fare revision for AEL must be vetted

and approved by the Executive Council so as to be in line with the vetting and approval procedure for fare adjustments of franchised buses.

58. The Chairman put the motion to vote. At the request of Mr Michael TIEN, the Chairman ordered a division. A total of six members voted for the motion, 11 members voted against it and four members abstained from voting. The votes of individual members were as follows:

For

Mr CHAN Hak-kan
Mr LEUNG Che-cheung
Mr LUK Chung-hung
(6 members)

Mr Michael TIEN
Mr Wilson OR
Mr LAU Kwok-fan

Against

Mrs Regina IP
Mr Frankie YICK
Dr Helena WONG
Mr Andrew WAN
Mr LAM Cheuk-ting
Mr Nathan LAW
(11 members)

Ms Claudia MO
Mr Charles Peter MOK
Ir Dr LO Wai-kwok
Mr CHU Hoi-dick
Mr Jeremy TAM

Abstain

Mr LEUNG Kwok-hung
Mr CHAN Chi-chuen
(4 members)

Mr YIU Si-wing
Mr CHAN Chun-ying

59. The Chairman declared that the motion was negatived.

60. Mr CHAN Hak-kan moved the following motion:

由於香港鐵路[有限]公司未有提供足夠的營運數據，讓本委員會判斷[機場快線]加價的必要性及合理性，本委員會要求港鐵公司提供有關資料，並反對機場快線的加價。

(Translation)

As the MTR Corporation Limited ("MTRCL") has not provided sufficient operation data for this Panel to judge the necessity and reasonableness of the fare increase of the Airport Express, this Panel requests MTRCL to provide relevant information, and objects to the

fare increase.

61. The Chairman put the motion to vote. A total of 16 members voted for the motion, two members voted against it and three members abstained from voting. The Chairman declared that the motion was carried.

62. Dr Helena WONG moved the following motion:

本委員會要求港鐵凍結香港特區永久性居民乘坐機場鐵路的票價，價格調整應只限於旅客。

(Translation)

This Panel requests the MTR Corporation Limited to freeze the fares of permanent residents of the Hong Kong Special Administrative Region for travelling on the Airport Railway and the fare revision should only apply to tourists.

63. The Chairman put the motion to vote. A total of three members voted for the motion, nine members voted against it and five members abstained from voting. The Chairman declared that the motion was negatived.

V. Public Transport Strategy Study Role and Positioning Review — Personalized and point-to-point transport services

(LC Paper No. CB(4)666/16-17(05) - Administration's paper on Public Transport Strategy Study Role and Positioning Review — Personalized and point-to-point transport services

LC Paper No. CB(4)666/16-17(06) - Paper on personalized and point-to-point transport services in Hong Kong prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(4)781/16-17(01) - Wording of a motion to be moved by Hon Frankie YICK Chi-ming

- LC Paper No. CB(4)781/16-17(02) - Wording of a motion to be moved by Hon LUK Chung-hung
- LC Paper No. CB(4)781/16-17(03) - Wording of a motion to be moved by Hon Michael TIEN Puk-sun
- LC Paper No. CB(4)706/16-17(03) - Submission from Clean Air Network
- LC Paper No. CB(4)706/16-17(04) - Submission from Cheung Chau Kai Fong Society
- LC Paper No. CB(4)781/16-17(04) - Submission from The Chartered Institute of Logistics and Transport)

64. The Chairman indicated that this item was carried forward from the last meeting of 17 March 2017.

65. At the invitation of the Chairman, Secretary for Transport and Housing ("STH") briefed members on the Administration's latest proposal on franchised taxis (formerly known as premium taxis), which included suitable adjustments to the preliminary proposal submitted to the Panel in June 2016. He stressed that the latest proposal had addressed the concerns of the taxi trade and met the new demand in the community for personalized and point-to-point public transport services of higher quality and fare. STH then highlighted the key features of the trial scheme, the details of which were set out in LC Paper No. CB(4)666/16-17(05). He said that after canvassing views from members and stakeholders, the Administration would report how to take forward the work on franchised taxis in the Report on Public Transport Strategy Study ("PTSS") to be released in June 2017. In parallel, the Administration would continue to enhance ordinary taxi service proactively under the current licensing regime.

(Post-meeting notes: (a) The speaking note of STH, which was tabled at the meeting, was issued vide LC Paper No. CB(4)896/16-17(01) on 24 April 2017; and (b) the Report on PTSS was issued vide LC Paper No. CB(4)1176/16-17(03) on 7 June 2017.)

Introduction of franchised taxis and enhancing ordinary taxi service

66. Mr Frankie YICK was disappointed that the Administration was not providing the right remedy to address the quality issues of taxi service by introducing franchised taxis, which would nevertheless undesirably aggravate road traffic congestion. He considered that enhancing the service quality of ordinary taxis should be the right approach. He also doubted that the Administration's liaison with the taxi trade in this regard was not truly adequate. Mr YICK then referred members to his paper on "Taxi 2020", which set out a blueprint for the development of taxi service in Hong Kong with six areas of improvement measures. Among the suggested measures, it was proposed that current taxi operators with good track records could apply for operating quality taxi fleets with higher fares, such that the Administration could exercise more effective control over their service. This was similar to the existing approach of encouraging red minibuses to convert to green minibuses. A demerit point system to penalize taxi drivers for misconduct was also proposed. He called upon the Administration to immediately shelve the franchised taxi scheme, and set up a multi-lateral working group with participation of the Administration, LegCo Members, the taxi trade and other stakeholders to steer the overall enhancement of taxi service. He indicated that a number of LegCo Members from different political groups had agreed to join the working group if formed. He would move a motion on his proposal.

(Post-meeting note: Mr YICK Chi-ming's paper on "Taxi 2020", which was tabled at the meeting, was issued vide LC Paper No. CB(4)896/16-17(02) on 24 April 2017.)

67. The Chairman, Ir Dr LO Wai-ki on behalf of the Business and Professionals Alliance for Hong Kong, Mr LAU Kwok-fan on behalf of the Democratic Alliance for the Betterment and Progress of Hong Kong, Mr YIU Si-wing and Mr LEUNG Che-cheung indicated support for Mr YICK's above proposal including the setting up of a multi-lateral working group.

68. The Chairman reckoned that the effectiveness of franchised taxis in meeting public demand for higher quality services could not be ascertained before expiry of the first five-year franchise. It was doubtful if the mere number of 600 franchised taxis could sufficiently meet the public demand in view of the significant patronage of Uber. Meanwhile, he considered that the Administration's immediate task should be to explore with the taxi trade on means to improving existing taxi service.

69. Ir Dr LO Wai-kwok also considered it necessary to forge a consensus among the taxi trade and stakeholders on measures for enhancing taxi service. He worried that introducing franchised taxis without the taxi trade's consensus could mean a step backwards against establishing rapport with the trade towards enhancing taxi service in the overall.

70. Mr LAU Kwok-fan said that the malpractices of some "black sheep" taxi drivers might have given the public a negative impression on taxi service, despite the fact that some taxi operators had been able to provide quality service well received by many passengers. He considered that the Administration should put efforts in upgrading the service of the majority of 18 000-odd ordinary taxis, but not to misplace the focus on a mere number of 600 franchised taxis. Mr LAU said that apart from regulating the conduct of individual taxi drivers, the service quality of taxi fleets should also be monitored. In many cities, reputation of the service quality of taxi fleets was a factor which passengers would consider when choosing taxi service. He further urged the Administration to take measures to improve the operating environment of the taxi trade to attract new blood to join the trade.

71. Mr YIU Si-wing considered it imperative for the Administration to improve taxi service together with the taxi trade to positively respond to the constant criticism on taxi service from the public and visitors. He suggested the multi-lateral working group consider implementing measures to progressively upgrade taxi service. As regards the introduction of franchised taxis, he worried that this would create a negative effect of labeling ordinary taxis as providing inferior service, which would be unfavorable for their service improvement.

72. Mr LEUNG Che-cheung opined that the proposal on franchised taxis had not been deliberated thoroughly. For example, given the time-limited and non-renewable nature of the five-year franchise, it was doubtful whether operators would be interested in making the investment. He also did not see the need for introducing franchised taxis to overlap with the existing mobile hailing taxi service which had not drawn major criticism from passengers. He urged the Administration to respect members' views if the motion on setting up a multi-lateral working group was passed by this Panel.

73. On the above views of members, STH reiterated that the objective of introducing franchised taxis was not to replace ordinary taxis but to provide an additional choice to cater for the new demand in the community for personalized and point-to-point public transport services of higher quality and fare. In many major overseas cities, it was common that various kinds of taxi services were provided to cater for demands of different passenger

groups. To address the taxi trade's concerns of negative labelling of ordinary taxis, STH said that the Administration had renamed "premium taxis" as "franchised taxis" to make clearer the different regimes adopted by ordinary taxi service and the new taxi service to be introduced under a franchise model.

74. STH stressed that the Administration would continue to enhance the ordinary taxi service proactively under the existing licensing regime, in parallel with the introduction of franchised taxis, with a view to enhancing personalized and point-to-point public transport services under a multi-pronged approach. On this, the Administration was open to suggestions from members and the taxi trade, including the setting up of any new liaison channel with the participation of other stakeholders.

75. Mr LAM Cheuk-ting indicated that the Democratic Party supported the introduction of franchised taxis to facilitate improvement in taxi service through competition. With the initial introduction of 600 franchised taxis under the trial scheme, he believed that the impact on the livelihood of ordinary taxi drivers would not be too significant.

76. Mr CHAN Chi-chuen considered that the trial scheme could provide a starting point for discussion on means to address the service quality problem of taxis. He saw that there was no significant conflict between the trial scheme and the proposal put forward by Mr Frankie YICK.

77. Mr Charles MOK opined that the crux of the service quality problem of ordinary taxis should be attributed to licence speculation. Given the permanent nature of taxi licences and high licence prices, taxi owners lacked the incentive of improving service. He urged the Administration to facilitate competition by increasing supply of taxis. Sharing similar views, Mr LEUNG Kwok-hung considered that as a long-term strategy, the Administration should curb taxi licence speculation by changing the permanent nature of taxi licences or buying back the existing licences. The Deputy Chairman took the view that taxi speculators would naturally object to the introduction of franchised taxis as they were afraid that the price of taxi licences would drop as a result and their vested interests would be impaired. However, in his view, franchised taxis would not have much negative impact on the income of frontline taxi drivers, and those driving franchised taxis might even receive higher pay. Ms Claudia MO further asked if it was the Administration's intention to introduce franchised taxis to counter the monopoly of ordinary taxis and curb licence speculation.

78. In response, STH explained that under the existing licensing regime of ordinary taxis, taxi licenses were permanent in nature and issued without any conditions directly related to service quality. Issuing more taxi licenses under the existing licensing regime alone was not an effective solution to meet new demand in the community for better personalized and point-to-point public transport services. The Administration considered it more desirable to respond to such new demand in the community through the introduction of franchised taxis. In response to the licence premium of ordinary taxi, the Administration was not obliged to maintain the licence premium at a certain level.

Implementation details of franchised taxis

Proposal of converting existing taxi licences for operating franchised taxis

79. While indicating support to the introduction of franchised taxis in principle, Mr Michael TIEN was concerned that the addition of 600 franchised taxis would increase the traffic flow particularly on busy road sections. He suggested giving priority to the conversion of existing taxi licences for operating franchised taxis in order to achieve a win-win solution.

80. On Mr TIEN's proposal, STH responded that any companies, including existing taxi operators, were welcome to apply for the operating rights for franchised taxis which would be granted through open tender. The Administration had no plan to make use of ordinary taxi licences to operate franchised taxis. With regard to the impact of road traffic, the franchised taxis might be able to attract some users of private cars to use. The impact on road traffic should be minimal.

Employer-employee relationship

81. Mr LUK Chung-hung took the view that the community should keep an open mind towards the introduction of franchised taxis, which would provide an additional choice for the public and create job opportunities. On the implementation details, he said that The Hong Kong Federation of Trade Unions was most concerned about whether operators of franchised taxis would be required to maintain an employer-employee relationship with their taxi drivers, such that the risks of operating taxi service would not be shifted to frontline taxi drivers, whose income could thus be better guaranteed. He conveyed the strong request of some taxi driver associations for maintaining an employer-employee relationship in respect of franchised taxis.

82. STH advised that taking into account the concerns expressed by some members and the taxi trade, the Administration had adjusted its preliminary proposal such that maintaining an employer-employee relationship would not be a compulsory requirement. That said, the Government considered that maintaining an employer-employee relationship would be more desirable. Hence, if applicants proposed to maintain an employer-employee relationship with their drivers, their applications would be accorded with a higher score in the tender assessment. Moreover, the applicant's proposed measures for monitoring driver's service quality as well as reward and penalty system would be considerations for assessment. On Mr LUK Chung-hung's further enquiry on the corresponding weighting in the tender assessment, STH advised that the specific details would have to be further worked out taking into account stakeholders' views.

Franchise terms, tender assessment and service monitoring

83. On Dr Helena WONG's enquiry about the franchise terms and whether the franchises would be granted to bidders offering the highest bids in terms of the franchise fee, STH advised that when assessing the tender submissions, the proposed level of franchise fee would not be a major consideration. Instead, to put emphasis on service quality, assessment on the bidders' technical proposals would constitute a higher weighting in the total score.

84. To ensure the consistent delivery of quality service by the operators during the five-year franchise period, Mr Michael TIEN suggested setting up a steering and assessment committee on franchised taxis which would be tasked with vetting applications for the franchises and monitoring the day-to-day performance of franchised taxis. Installation of closed-circuit television system inside the taxi compartments for monitoring the performance of taxi drivers should be included in the tender requirements. Further, the said committee should also be empowered to revoke a franchise during the five-year franchise period in case of repeated complaints over the service of the franchised taxi drivers. Representatives from the trade should only constitute a small proportion of the said committee's membership.

85. Mr LAM Cheuk-ting also expressed concern about whether a mechanism would be in place to penalize substandard performance of franchised taxi operators.

86. STH explained that unlike the existing licensing regime of ordinary taxis, the franchise model would enable the Government to monitor the operators' performance of the franchised taxis through franchise terms. If the operators failed to meet the service level or standard prescribed under the

franchise, the Administration could impose penalties or even revoke the franchise.

Fare level

87. Dr Helena WONG was concerned about the determination of the fare level, fare structure, and fare adjustment mechanism for franchised taxis. In response, STH advised that taking into account the preliminary assessment of the consultant, the Administration considered that there was a need to maintain a reasonable differential between the fares of ordinary taxis and franchised taxis and proposed that the fare level of franchised taxis should be set at about 35% to 50% above the ordinary taxi fare. It was also proposed that the same fare structure of ordinary taxis would be adopted for franchised taxis. Yet, the exact fares would be further determined. He said that future fare adjustments of franchised taxis would require approval of the Executive Council and be subject to negative vetting by LegCo before implementation.

88. Referring to the requirement of having at least 50% wheelchair-accessible taxis in the operator's fleet, Mr CHAN Chi-chuen was concerned about the associated installation costs which might discourage potential bidders. He asked whether there would be extra charges for wheelchairs or a separate fare table with higher fares would be set for wheelchair-accessible taxis.

89. In reply, STH explained that under the current proposal, there would not be additional charges for using wheelchair-accessible franchised taxis. That said, STH assured members that the Administration would be cautious in ensuring the financial capability of the operators.

Number of franchised taxis

90. Expressing concern over the increase in the number of vehicles on roads, Ms Claudia MO asked how long the maximum number of franchised taxis would be kept at 600 before any further increases. STH replied that franchised taxis would be introduced on a trial basis for a period of five years. The Administration would review the effectiveness of the trial scheme upon completion. The number of franchised taxis (i.e. 600 vehicles) would be stipulated in the law. Any changes in the cap would require legislative amendments.

Hire car service

91. Mr LUK Chung-hung noted that the current number of issued hire car permits ("HCPs") for private service fell short of the cap of 1 500. He enquired about the development of hire car service and how such service would be regulated. In response, STH explained that hire cars (i.e. using private cars for carriage of passengers for hire or reward) would continue to provide another type of personalized and point-to-point transport service apart from taxis. On the premise of maintaining the cap of HCPs, the Administration had introduced new measures to facilitate new market entrants and ensure quality of vehicles.

92. Pointing out that online car hailing services, such as Uber, were getting very popular and were not regarded as illegal in many large cities, the Deputy Chairman took the view that the Administration should keep an open mind and give new thoughts towards the ride-sharing concept and the benefits associated with sharing economy. Mr Charles MOK also urged the Administration to review the mechanism of issuing HCPs and introduce an appropriate regulatory regime for online car hailing services in order to provide the public with diversified choices. Mr LAM Cheuk-ting shared the view that the Administration should introduce proper licensing control in respect of online car hailing services to ensure fair and healthy competition in the market.

93. Ir Dr LO Wai-kwok pointed out that Uber was being denounced in many countries for providing hire car service without valid permits, hence exposing the passengers to potential risks. He urged the Administration to be cautious on issues relating to online car hailing services, and seek consensus within the community before taking forward any relevant initiatives.

94. In response, STH stressed that the provision of any passenger services for reward must be in compliance with the relevant law and regulations in order to protect the interest and safety of passengers. He reiterated that all hire car services should be issued with HCPs and comply with relevant legal requirements and issuing conditions of HCPs.

(At 11:56 am, the Chairman suggested and members supported extending the meeting for 30 minutes to 1:00 pm.)

Motions

95. The Chairman ordered that the Panel proceeded to deal with the three motions (LC Paper Nos. CB(4)781/16-17(01) to (03)) raised at the last Panel

meeting on 17 March 2017, and the three motions raised at this meeting. Upon request by Mr Charles MOK, the division bell rang for five minutes.

96. Mr Frankie YICK moved the following motion, which was seconded by Mr YIU Si-wing, Mr CHUNG Kwok-pan, Dr Junius HO and Mr LAU Kwok-fan –

由於政府推出之600個新"專營的士"牌照計劃，並沒有解決普羅市民對提升整體的士服務的訴求；與此同時，增加600個新"專營的士"牌照只會進一步加劇路面交通擠塞的問題；而事前又沒有諮詢的士業界及立法會各政黨/團之意見，因而引致議會各政黨/團之批評及的士業界強烈反彈，故本會現嚴正要求政府擱置"專營的士"計劃，並盡快與的士業界及立法會各政黨/團組成工作小組，為全面提升的士服務水平制訂一個全面的方案。

(Translation)

Given that the scheme introduced by the Government to issue 600 new "franchised taxi" licences fails to address the demand of the general public for enhancing the overall taxi service, while issuing 600 additional "franchised taxi" licences will only further aggravate the road traffic congestion problem, and the absence of any prior consultation with the taxi trade and the various political parties/groups of the Legislative Council ("LegCo") has drawn criticisms from the various political parties/groups of LegCo and a strong backlash from the taxi trade, this Panel now solemnly requests the Government to shelve the "franchised taxi" scheme and expeditiously form a working group with the taxi trade and the various political parties/groups of Legco for formulating a comprehensive proposal to comprehensively upgrade the taxi service level.

97. The Chairman put the motion to vote. Seven members voted for the motion, five members voted against it and one member abstained from voting. The Chairman declared that the motion was carried.

98. Mr LUK Chung-hung moved the following motion, which was seconded by Mr HO Kai-ming –

本會支持政府提升的士行業的服務水平，唯在推出專營的士服務以前，當局應多加與業界溝通，並需確立專營的士營辦商與轄下司機僱傭關係為必要條件，否則難以透過改善司機

生計及職業保障來提升服務質素；與此同時政府亦需整體改善業界經營環境，其中包括放寬上落客限制、加強打擊"折扣的"及"白牌車"等違法行為，以多方面確保及提升的士服務。

(Translation)

This Panel supports the Government to upgrade the service level of the taxi trade, but before introducing the franchised taxi service, the Administration should communicate more with the trade and needs to stipulate that an employer-employee relationship between franchised taxi operators and their drivers is an essential prerequisite, otherwise it is difficult to enhance service quality through improving the livelihood of drivers and employment protection; in the meantime, the Government also needs to make overall improvement to the operating environment of the trade, including relaxing the restrictions on picking up and dropping off passengers, and stepping up efforts to combat illicit acts involving "discount taxis" and "white licence cars", with a view to ensuring and enhancing the quality of taxi service in various aspects.

99. The Chairman put the motion to vote. Six members voted for the motion, none voted against it and nine members abstained from voting. The Chairman declared that the motion was carried.

100. Mr Charles MOK moved the following motion –

本委員會對本港的士服務水平表示強烈不滿。香港人口和香港的交通需求均有增長，永久性可轉讓之的士牌照令現時香港的士牌淪為投資工具，的士司機卻須付上高昂租用牌照費用，缺乏改善服務的誘因。本委員會促請政府增加個人化點對點交通服務，促進市場競爭，改革香港的士牌照制度，增加設有牌照時限、需定期續牌的"專營的士"。本委員會亦建議政府檢討出租車服務牌照，為網絡召車服務引入合適的規管制度，提升整體服務質素和為市民提供多元化選擇。

(Translation)

This Panel is strongly dissatisfied with the quality of taxi service in Hong Kong. Along with the growth in the population in Hong Kong as well as the demand for local transport, and given the permanent and transferrable nature of taxi licences, Hong Kong's taxi licences have

evolved into an investment tool, while taxi drivers have to pay high rentals for taxi licenses, and there is hardly any incentive for them to improve their services. This Panel urges the Government to provide more personalized and point-to-point transport services, promote market competition, reform the licensing system for Hong Kong taxis, and introduce franchised taxis with time-limited licenses which are subject to regular renewal. This Panel also proposes that the Government should review the service licences of hire cars and introduce an appropriate regulatory regime for Internet car calling services in order to improve service quality as a whole and provide the public with diversified choices.

101. The Chairman put the motion to vote. Seven members voted for the motion, three members voted against it and five members abstained from voting. The Chairman declared that the motion was carried.

102. There being no dissenting voice from the Panel, Mr Michael TIEN withdrew his motion raised at the Panel meeting of 17 March 2017 (LC Paper No. CB(4)781/16-17(03)), and moved the following motion –

鑒於政府將推行專營的士，為的士業界開拓新客源並提升業界質素，但必會增加路面車輛流量，而"優先舊牌轉新牌"可達兩全其美，所以應為必然條件之一。基於必須確保服務質素，政府建議5年專營權對確保服務質素作用有限，本委員會促請政府成立"優質的士督導和評審委員會"，成員代表業界佔少數，其職責是審視專營的士的申請，申請的條件包括但不限於安裝車廂閉路電視系統，符合相關條件就可批出專營權。若然某專營的士司機服務欠佳而屢次不改，[該]委員會有權隨時收回該牌照，令持牌者因投資受損而有所警惕。

(Translation)

Given that introduction of franchised taxis by the Government to expand the customer base and improve the service quality of the taxi trade will however definitely increase the traffic flows on the road, while giving priority to the conversion of existing taxi licences for operating new franchised taxis can be a win-win solution, conversion of existing taxi licences should therefore be included as one of the necessary conditions. As it is essential to ensure service quality, yet the Government's proposal of a five-year franchise has limited effect on the assurance of service quality, this Panel urges the Government to set up a "Steering and Assessment Committee on Premium Taxis" ("the

Committee"), with minor representation from the trade in its composition, to be tasked with vetting applications for franchises to operate franchised taxis. The conditions for application should include but not limit to the installation of in-car closed-circuit television system. The franchise may be granted upon satisfaction of the relevant conditions. The Committee should be empowered to revoke, at any time, a franchise if the franchised taxi driver concerned delivers poor service repeatedly without making improvement, so that franchisees will be mindful of any investment losses arising therefrom.

103. The Chairman put the motion to vote. Five members voted for the motion, none voted against it and nine members abstained from voting. The Chairman declared that the motion was carried.

104. Mr LAU Kwok-fan moved the following motion –

面對市民對個人[化]點對點交通服務的質與量需求不斷上升，本委員會要求政府協助的士業界改善服務質素，加強從業員培訓，引入合適的業內服務質素監管機制，並檢討出租服務車輛的政策及法例，讓日新月異的召車服務模式可在合適的規管下經營，迎合市民需要。

(Translation)

In face of the increasing public demand, both in terms of quality and quantity, for personalized and point-to-point transport services, this Panel requests the Government to assist the taxi trade in improving service quality, enhance the training of practitioners, introduce an appropriate service quality monitoring mechanism for the trade, and review the policy and legislation relating to hire cars, so that the rapidly developing car calling service mode can be operated under appropriate regulation to meet the needs of the public.

105. The Chairman put the motion to vote. A total of 13 members voted for the motion, none voted against it and none abstained from voting. The Chairman declared that the motion was carried.

VI. Outcome of the early review of the MTR Fare Adjustment Mechanism

(File Ref: THB(T)CR 19/5591/00

- Legislative Council Brief on the review outcome of the

Fare Adjustment
Mechanism of the MTR
Corporation Limited

- LC Paper No. CB(4)839/16-17(08) - Paper on the Fare Adjustment Mechanism of the MTR Corporation Limited and adjustments to MTR fares prepared by the Legislative Council Secretariat (updated background brief))

106. Due to insufficient meeting time, the Panel agreed that this agenda item be carried forward to a special meeting to be held on 28 April 2017.

VII. Any other business

107. There being no other business, the meeting ended at 12:58 pm.

Council Business Division 4
Legislative Council Secretariat
27 September 2017

點名表決 DIVISION: 2
日期 DATE: 21/04/2017
時間 TIME: 10:29:53 上午 AM

動議 MOTION: 羅冠聰議員動議要求中止討論議程項目 "調整機場快線票價" 的議案
Motion to adjourn the discussion on the agenda item "Adjustment of Airport Express Fares" moved by Hon Nathan LAW Kwun-chung

動議人 MOVED BY: 羅冠聰 Nathan LAW

出席 Present : 23
投票 Vote : 22
贊成 Yes : 11
反對 No : 11
棄權 Abstain : 0
結果 Result : 相等 Tied

個別表決如下 THE INDIVIDUAL VOTES WERE AS FOLLOWS:

議員	MEMBER	投票	VOTE	議員	MEMBER	投票	VOTE
陳恒鎮	CHAN Han-pan	出席	PRESENT	潘兆平	POON Siu-ping	反對	NO
石禮謙	Abraham SHEK	反對	NO	盧偉國	Ir Dr LO Wai-kwok	反對	NO
林健鋒	Jeffrey LAM			鍾國斌	CHUNG Kwok-pan		
李慧琼	Starry LEE	反對	NO	楊岳橋	Alvin YEUNG		
陳克勤	CHAN Hak-kan			尹兆堅	Andrew WAN		
梁美芬	Dr Priscilla LEUNG			朱凱迪	CHU Hoi-dick	贊成	YES
黃國健	WONG Kwok-kin			何君堯	Dr Junius HO		
葉劉淑儀	Mrs Regina IP	反對	NO	何啟明	HO Kai-ming		
謝偉俊	Paul TSE			林卓廷	LAM Cheuk-ting	贊成	YES
梁國雄	LEUNG Kwok-hung	贊成	YES	柯創盛	Wilson OR	反對	NO
毛孟靜	Claudia MO			容海恩	YUNG Hoi-yan		
田北辰	Michael TIEN	反對	NO	陳振英	CHAN Chun-ying	反對	NO
易志明	Frankie YICK	反對	NO	陳淑莊	Tanya CHAN	贊成	YES
胡志偉	WU Chi-wai			陸頌雄	LUK Chung-hung		
姚思榮	YIU Si-wing	反對	NO	劉國勳	LAU Kwok-fan		
莫乃光	Charles Peter MOK	贊成	YES	劉業強	Kenneth LAU		
陳志全	CHAN Chi-chuen	贊成	YES	鄭松泰	Dr CHENG Chung-tai	贊成	YES
梁志祥	LEUNG Che-cheung	反對	NO	鄭俊宇	KWONG Chun-yu		
郭家麒	Dr KWOK Ka-ki			譚文豪	Jeremy TAM	贊成	YES
張超雄	Dr Fernando CHEUNG			羅冠聰	Nathan LAW	贊成	YES
黃碧雲	Dr Helena WONG	贊成	YES	姚松炎	Dr YIU Chung-yim	贊成	YES

秘書 CLERK

