

立法會
Legislative Council

LC Paper No. CB(4)358/18-19
(These minutes have been
seen by the Administration)

Ref : CB4/PL/TP/1

Panel on Transport

**Minutes of meeting held on
Friday, 15 June 2018, at 10:45 am
in Conference Room 1 of the Legislative Council Complex**

Members present : Hon Frankie YICK Chi-ming, SBS, JP (Chairman)
Hon LAM Cheuk-ting (Deputy Chairman)
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Jeffrey LAM Kin-fung, GBS, 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 Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, BBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Dr Hon KWOK Ka-ki
Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, BBS, JP
Hon POON Siu-ping, BBS, MH
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin

Hon CHU Hoi-dick
Hon Wilson OR Chong-shing, MH
Hon CHAN Chun-ying, JP
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Gary FAN Kwok-wai
Hon AU Nok-hin
Hon Tony TSE Wai-chuen, BBS

Members attending : Hon KWOK Wai-keung, JP
Dr Hon CHIANG Lai-wan, SBS, JP

Members absent : Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon Tanya CHAN

Public Officers attending : **Agenda item IV**

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

Ms YING Fun-fong, JP
Project Manager (East)
Civil Engineering and Development Department

Mr Anthony LO Kam-yan
Head (Kai Tak Office)
Civil Engineering and Development Department

Mr Eric CHIANG Nin-tat
Chief Engineer / East 1
Civil Engineering and Development Department

Mr Kelvin SIU Kin-man
Assistant Commissioner for Transport/Planning
(Acting)
Transport Department

Mr Stephen KO Chi-wai
Senior Engineer/Major Projects 4
Transport Department

Agenda item V

Mr Kelvin CHOI, JP
Deputy Secretary for Transport and Housing
(Transport)2

Miss Crystal YIP
Principal Assistant Secretary for Transport and
Housing (Transport)1

Ms Tammy CHAN
Chief Treasury Accountant (Transport)
Transport and Housing Bureau

Ms Macella LEE, JP
Deputy Commissioner for Transport/
Transport Services and Management

Mr Patrick WONG
Assistant Commissioner for Transport/Bus and
Railway

Miss Amy TSE
Principal Transport Officer/Bus and Railway 1
Transport Department

Attendance by invitation : Agenda item V

Citybus Limited and New World First Bus Services Limited

Mr Samuel CHENG
Managing Director

Mr George HO
Financial Controller

Mr William CHUNG
Head of Operations

Mr Paul LI
Head of Engineering

Ms Lily CHAN
Senior Accounting Manager

Clerk in attendance : Ms Sophie LAU
Chief Council Secretary (4)2

Staff in attendance : Miss Joyce CHING
Senior Council Secretary (4)2

Ms Jacqueline LAW
Council Secretary (4)2

Miss Mandy LAM
Legislative Assistant (4)2

I. Information paper(s) issued since the last meeting

- LC Paper No. CB(4)1097/17-18(01) - Administration's response to the submission from a member of the public on driving licence fees for the elderly

- LC Paper No. CB(4)1145/17-18(01) - Administration's paper on Western Harbour Crossing tolls
- LC Paper No. CB(4)1145/17-18(02) - Western Harbour Tunnel Company Limited's paper on Western Harbour Crossing tolls
- LC Paper No. CB(4)1145/17-18(03) - Western Harbour Tunnel Company Limited's press release on Western Harbour Crossing tolls
- LC Paper No. CB(4)1158/17-18(01) - MTR Corporation Limited's paper on MTR fare adjustment for 2018
- LC Paper No. CB(4)1208/17-18(01) - Administration's response to the letter from Hon Holden CHOW Ho-ding on ancillary transport facilities on the Hong Kong-Zhuhai-Macao Bridge

Members noted the above papers issued since the last meeting.

2. The Chairman informed members that a research paper on shared bike was being prepared by the Research Office of the Legislative Council Secretariat.
3. Upon the enquiry of Mr Gary FAN, the Chairman advised that the Administration was liaising with the mainland authority regarding the proposed visit to the Hong Kong-Zhuhai-Macao Bridge, including the Main Bridge in the mainland.

II. Items for discussion at the next meeting

LC Paper No. CB(4)1222/17-18(01) - List of outstanding items for discussion

LC Paper No. CB(4)1222/17-18(02) - List of follow-up actions

4. Members agreed to discuss the following two items at the next regular meeting to be held on 20 July 2018 –

- (a) Enhancing taxi service quality;
- (b) Safety for franchised bus operation; and

(post meeting note: Subsequently, an additional item "Recent incidents of water leakage and smoke emission from the pillar box at the basement of the Passenger Clearance Building of the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port" was added and the regular meeting was rescheduled and held on 25 July 2018.)

5. Dr Helena WONG proposed to discuss the incidents relating to the works at To Kwa Wan Station under the Shatin to Central Link project at the next regular meeting or at a special meeting to be arranged for the said purpose.

(post meeting note: The item on "Issues relating to construction works at To Kwa Wan Station and Exhibition Centre Station under the Shatin to Central Link project" was discussed at the special meeting of Subcommittee on Matters Relating to Railways held on 6 July 2018.)

6. Dr CHENG Chung-tai proposed to discuss the operational issues relating to the commissioning of Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link at the next regular meeting or at a special meeting to be arranged.

7. In response to the above proposals of Dr Helena WONG and Dr CHENG Chung-tai, the Chairman said that he would discuss with the Administration on the possible arrangement.

III. Matters arising

Proposed overseas duty visit

LC Paper No. FS08/17-18

- Paper on smart mobility in selected places prepared by the Research Office of the Legislative Council Secretariat (fact sheet)

8. Based on the information presented in the paper on smart mobility in selected places, the Chairman was of the view that it might not be worthwhile to arrange an overseas duty visit to either Singapore, Tokyo or Melbourne at this stage.

9. Mr Gary FAN expressed that the latest development in transport facilities in Tokyo in addressing the need of the aging population and the arrangement of dissemination of real-time information on vacancies of parking space adopted in Melbourne could serve as good reference. Mr LAM Cheuk-ting also said that the arrangement of underground parking for bicycles adopted in Tokyo could be good reference for Hong Kong.

10. The Chairman proposed that the arrangement of the proposed overseas duty visit could be followed up in the next legislative session, i.e. 2018-2019, subject to further research on smart mobility and the areas mentioned above by members. Members raised no objection.

IV. Trunk Road T2 and Cha Kwo Ling Tunnel — construction

LC Paper No. CB(4)1222/17-18(03)

- Administration's paper on 785TH — Trunk Road T2 and Cha Kwo Ling Tunnel — construction

LC Paper No. CB(4)1222/17-18(04)

- Paper on Trunk Road T2 and Cha Kwo Ling Tunnel prepared by the Legislative Council Secretariat (background brief)

Briefing the Administration

11. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport)1 ("DSTH(T)1") briefed members on the Administration's proposal for upgrading "785TH–Trunk Road T2 and Cha Kwo Ling ("CKL") Tunnel - Construction" ("the Project") to Category A at an estimated cost of \$16,017 million in MOD prices. With the aid of a powerpoint presentation (LC paper No. CB(4)1266/17-18(01), Head (Kai Tak Office) of Civil Engineering and Development Department ("CEDD") briefed members on the details of the Project.

Discussion

12. Mr LAM Cheuk-ting on behalf of the Democratic Party, Mr Michael TIEN, Dr Helena WONG and Mr LEUNG Che-cheung expressed support for the Administration's proposal. The above members urged for the early completion of the Trunk Road T2 and CKL Tunnel so as to improve the traffic flow of Kowloon East. Mr Michael TIEN, Dr Helena WONG and Mr LEUNG Che-cheung also pointed out that it would be essential for the Project to be completed in tandem with the Central Kowloon Route ("CKR").

Project progress and cost

13. In response to Mr CHAN Chun-ying's enquiry on the cost of \$16,017 million, Project Manager (East) ("PM(E)") of CEDD advised that the estimate of the Project was a preliminary one, and that more detailed breakdown would be provided to the Public Works Subcommittee in early 2019 after collecting information from the pre-qualification exercise.

14. Dr Helena WONG asked about the measures to be taken by the Administration to avoid possible works delay and to control the cost of the construction works. PM(E) advised that the Administration would ensure that the detailed design and the site investigation would include a comprehensive report of the ground condition near the site area concerned and that the contracts would include suitable clauses to recover damages from the contractors in case of works delay.

15. Mrs Regina IP also raised concern over the implementation and cost control. She was particularly concerned about whether the geological study of the seabed in the site area was thorough enough so as to ensure the smooth construction of the tunnel within the planned timeframe. PM(E) assured that detailed geological study had been carried out.

16. Mr LEUNG Che-cheung was also concerned about increase in project cost due to possible works delay in respect of the construction works of the tunnel. Mr LEUNG then asked whether the Administration could ensure that the Project could be completed within the planned timeframe and budget. PM(E) advised that the cost control of a project hinged on its preliminary design and that the Administration had sought expert advice on issues relating to risks involved in the Project, in particular, those related to tunnel boring machine construction which was highly technical.

17. Noting that CEDD had already consulted three District Councils on the proposed works of the Trunk Road T2 in 2013 and that the Trunk Road T2 would play a strategic transport role, Mr Wilson OR queried why it had taken so long for the Administration to prepare for its tendering and construction works.

18. DSTH(T)1 explained that Trunk Road T2 together with the CKL Tunnel would form the middle section of Route 6. It would connect Central Kowloon Route ("CKR") under construction to the west and the main tunnel of Tseung Kwan O-Lam Tin Tunnel ("TKO-LTT") also under construction to the east. It was the Administration's plan to commence the construction works of the Project in the second half of 2019 for completion in around 2025 in tandem with the CKR. In taking forward key infrastructure projects, DSTH(T)1 assured that the Administration would closely monitor the overall implementation timetable of the related projects. PM(E) supplemented that Trunk Road T2 could not operate on its own without the CKR, and thus the target date of completion of its construction work had to be in tandem with that of CKR. The construction works of the Project was planned to commence a year later than that of CKR since the works procedures of the Project would be comparatively less complex.

19. Mr CHAN Chun-ying said he noted from the Administration's paper that the Kai Tak New Acute Hospital ("NAH") was expected to be commissioned in 2024 and that if the construction of the Project could not commence as planned leading to completion substantially beyond the commissioning of NAH, the difficulty and cost of the construction works might be significantly increased due to adoption of necessary extensive mitigation measures to minimize the impact brought by the works to the sensitive medical equipment and normal operation of the hospital. Mr CHAN asked about the period of the delay that could be described as "substantial". PM(E) replied that it would be referring to a delay of 2 to 3 years.

Concern over traffic situation in Kowloon East

20. Mr Wilson OR pointed out that upon the completion of TKO-LTT, Trunk Road T2 and CKL Tunnel, the traffic condition of Kowloon East would be greatly improved. However, he noted that the target date of completion of TKO-LTT and the Project would be 2021 and 2025 respectively. In the light of this, Mr Wilson OR asked whether the Administration would take any measures to relieve the traffic at the existing key road links of Kowloon East during the gap years of the above period. Mr Tony TSE raised similar concern over the traffic flow of the road networks connecting to TKO-LTT. In response, Assistant Commissioner for Transport/Planning (Acting) ("AC/P") advised that upon the commissioning of TKO-LTT in 2021, its users could still get access to Kowloon via the Kwun Tong Bypass. Based on the latest projection, the traffic flow of Kwun Tong Bypass in 2021 would still be at an acceptable level.

21. Dr CHENG Chung-tai noted that the alignment of Trunk Road T2 and the CKL Tunnel would pass through the NAH. Dr CHENG asked whether the Administration had conducted traffic impact assessment (which included projection on the traffic flow at the key junctions leading to NAH) with a view to ensuring a smooth operation of the emergency services to be provided by NAH and facilitating easy access to NAH by the users.

22. In this regard, AC/P advised that the current routes leading to NAH included the route via Kwun Tong Bypass, Wang Chiu Road, Lam Fung Street, Sheung Yee Road and Cheung Yip Street. The overall traffic assessment and road design had already taken into account the projected traffic flow in the vicinity of NAH and anticipated that the road links leading to NAH (including the route via Kwun Tong Bypass) would still be operating with spare capacity. PM/E supplemented that the new Road D3 running along the former runway of Kai Tak Development (KTD), which would provide an alternative route leading to the NAH, was expected to be commissioned by 2023.

23. In response to Mr LUK Chung-hung's enquiry about the routes from Wong Tai Sin/ To Kwa Wan to NAH, AC/P advised that currently the NAH could be accessed by the route via Kwun Tong Bypass, Wang Chiu Road, Hoi Bun Road and Cheung Yip Street for which the distance was about 4-5 kilometers with journey time of around 8-10 minutes. Moreover, the new Road D3 as mentioned above would provide an alternative route in the future.

24. Mrs Regina IP noted that Route 6 would play a strategic transport role by providing the essential highway infrastructure to support new development projects, including the Kai Tak Cruise Terminal ("the Cruise Terminal"). In

this regard, Mrs IP urged the Administration to further develop the road network connecting to the Cruise Terminal which was rather isolated in the meantime.

25. PM(E) advised that there would be a pair of slip roads at the former south apron area connecting CKR with the Cruise Terminal. With the completion of the slip roads and CKR, the journey time between the Cruise Terminal and the West Kowloon Cultural District would be greatly reduced. Moreover, Shing Fung Road at the former runway would be connected with the former north apron area of KTD via Road D3 to form a road connection network between the Cruise Terminal and the Kai Tak Station of SCL. The Panel on Development would be consulted on the proposed Road D3 in due course.

Environmental impact of the Project

26. Mr LAM Cheuk-ting, Mr WU Chi-wai, Mr Jeremy TAM, Mr CHAN Chi-chuen and Mr LUK Chung-hung expressed concern about the environmental impact of the construction works of the Project, in particular those on residents of Cha Kwo Ling ("CKL") Village.

27. In response to Mr LUK Chung-hung's enquiry about the measures to be taken to mitigate the impact of noise and air pollution on the nearby residents, Chief Engineer/ East 1 ("CE/E1") of CEDD advised that the Trunk Road T2 as well as the CKL Tunnel and associations works were designated projects under the Environmental Impact Assessment Ordinance and that Environmental Permit ("EP") would be required for its construction and operation. Appropriate mitigation measures would be taken in accordance with the requirements stipulated under the EP so as to mitigate the environmental impact caused by the Project.

Proposed land resumption and clearance of CKL Village

28. Having noted that the construction of CKL Tunnel underneath the CKL Village would entail extra cost of about 75% and double the construction period, Mr LAM Cheuk-ting suggested the Administration to consider completing land resumption and clearance of CKL Village before starting the construction works of Trunk Road T2 and CKL Tunnel and thereby to adjust the construction method of the above mentioned works with a view to shortening the construction time and lowering the cost. Mr Jeremy TAM expressed a similar view.

29. DSTH(T)1 advised that the future land use of CKL Village was being studied by the Development Bureau ("DEVB"). In this connection, DSTH(T)1 added that DEVB had already provided a response to the letter from Mr WU Chi-wai on issues relating to the redevelopment of CKL Village. Since hundreds of squatters were involved and that the area involved was quite extensive, it would take some time to undertake and complete the relevant land use review, engineering feasibility study, rezoning proposal etc.. The stakeholders would also be consulted as appropriate. DSTH(T)1 emphasized that the study on the feasibility of land resumption and clearance of CKL Village would take time. However, since the construction of the Project was targeted to commence in the second half of 2019, the implementation timetable of the redevelopment of CKL Village might not be able to match with that of the Project.

30. In response to Mr WU Chi-wai's enquiry on whether the Administration would take snapshots of all the squatters in CKL Village to facilitate the future construction works, necessary preparation work for land resumption and clearance and the compensation plan(s) for CKL residents, CE/E1 responded in the affirmative. Mr WU Chi-wai further urged the Administration to consider the feasibility of the suggestion made by Mr Jeremy TAM and LAM Cheuk-ting above and to work out the timeline of the necessary preparation work and the compensation plan(s) for CKL residents.

31. Summing up members' views and suggestion in relation to future development of CKL Village and the construction method of CKL Tunnel, the Chairman requested the Administration to provide the following information:

- (a) the feasibility of completing land resumption and clearance of Cha Kwo Ling ("CKL") Village before starting the construction works of "Trunk Road T2 and CKL Tunnel" and adjusting the construction method of the above mentioned road and tunnel with a view to shortening the construction time and lowering the cost;
- (b) whether the Administration had made any compensation plan(s) for CKL residents in case of land resumption and clearance, and if so, the details of the plan(s); and
- (c) the timeline of the necessary preparation work for items (a) and (b) above.

Objections against the proposed road scheme of TKO-LTT (including the CKL Tunnel and associated works)

32. Mr CHAN Chun-ying noted that some 1 000 objections to the Project had been received and he asked how the Administration would resolve the issues concerned. DSTH(T)1 clarified that during the statutory period when the proposed road scheme of the Trunk Road T2 project was gazetted, no objection was received. The objections which Mr CHAN mentioned were those received during the gazettal of the road schemes of TKO-LTT projects (including the CKL Tunnel and associated works). The Administration had submitted the unresolved objections of the TKO-LTT project to the Chief Executive-in-Council for consideration. The Chief Executive-in-Council authorized the road and sewerage schemes of the TKO-LTT project on 29 April 2014 without modification. Subsequently, the Administration had informed those parties who had raised objection to the TKO-LTT project of the above-mentioned authorization. The authorization notices of the TKO-LTT project (including the CKL Tunnel and associated works) were gazetted on 30 May and 6 June 2014.

33. Referring to the objections to the road schemes of TKO-LTT projects, Mr CHAN Chi-chuen asked whether the Administration had taken/ would take any improvement measures and/or further liaise with the residents concerned, for instance the request for installation of noise barriers from a concern group from Yau Lai Estate. DSTH(T)1 advised that mitigation measures would be taken as appropriate during the construction stage with a view to addressing the concern relating to the unresolved objections. CE/E1 supplemented that, among others, appropriate measures in compliance with the requirements under the Environmental Impact Assessment ("EIA") Report had been taken to address the concern about noise impact on residents of Yau Lai Estate. Moreover, the concern about the integrity of CKL Village had also been addressed. Since the non-blasting construction method would be adopted for the construction of CKL Tunnel, the structures of the squatters in the village would not be affected.

Others

34. Mr Michael TIEN asked about the number of couplers to be installed for connecting the steel bars during the construction of the Project and how the works of the installation of couplers would be monitored. In response, PM(E) replied that 84,000 couplers were installed at the supporting underground structure (SUS) currently under construction as enabling works to facilitate future construction of Trunk Road T2 and about 53,000 couplers would be installed at the other works of Trunk Road T2. For the SUS, there were

on-site inspections during the work stage when the steel bars were being screwed into couplers and that 100% of the couplers and steel bars were checked.

35. In response to Mr LUK Chung-hung's enquiry about the naming of "T2", DSTH(T)1 advised that there would be a formal naming procedure before the commissioning of "Trunk Road T2 and Cha Kwo Ling Tunnel".

36. In response to the Chairman's enquiry, PM(E) replied that the vessels anchored in the Kwun Tong Typhoon Shelter near the site area would not be affected during the construction of the Project.

37. Regarding Mrs Regina IP's enquiry on the impact of the works on historic buildings, PM(E) advised that the two Grade 3 Historic Buildings, namely CKL Tin Hau Temple and Law Mansion in CKL Village, would be preserved in situ. The CEDD would implement and monitor the necessary mitigation measures as stated in the approved EIA Report during construction.

Conclusion

38. In summing up, the Chairman sought members' view on the Administration's proposal for upgrading the Project to Category A. Members raised no objection to the Administration's plan to submit the above proposal to PWSC.

V. Fare increase applications by Citybus Limited (franchise for the Hong Kong Island and Cross-Harbour Bus Network) and New World First Bus Services Limited

LC Paper No. CB(4)1222/17-18(05) - Administration's paper on fare increase applications from Citybus Limited (franchise for the Hong Kong Island and Cross-Harbour Bus Network) and New World First Bus Services Limited

LC Paper No. CB(4)1222/17-18(06) - Paper on fare adjustment arrangement for franchised buses and fare increase applications by Citybus

Limited and New World First
Bus Services Limited
prepared by the Legislative
Council Secretariat
(background brief)

LC Paper No. CB(4)1247/17-18(01) - Submission from a member
of the public (Chinese
version only)

Briefing the Administration

39. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport)2 ("DSTH(T)2") briefed members on the fare increase applications from the Citybus Limited (Franchise for Hong Kong Island and Cross-Harbour Bus Network) ("Citybus (Franchise 1)") and New World First Bus Services Limited ("NWFB"). With the aid of a powerpoint presentation (LC paper No. CB(4)1266/17-18(02), Head of Operations of Citybus Limited and NWFB ("Head of Operations, Citybus and NWFB") briefed members on the operation of Citybus (Franchise 1) and NWFB and the reasons for the proposed fare increase.

Discussion

Objection to the proposed fare increase

40. Mr Jeremy TAM, Dr CHENG Chung-tai, Mr KWONG Chun-yu strongly objected to the proposed fare increase applications and expressed that the proposed percentage increase of 12% was too substantial.

41. Dr Elizabeth QUAT, on behalf of Democratic Alliance for the Betterment and Progress of Hong Kong, also found that the above proposed percentage increase unacceptable. Dr QUAT said that Mr CHAN Han-pan and Hon LAU Kwok-fan would raise a motion to call upon Citybus Limited and NWFB to adjust downwards the rates of fare increases and undertake to improve the remuneration of bus captains and safety of buses in operation.

42. Mr KWOK Wai-keung and Mr LEUNG Che-cheung also opined that the proposed percentage was too much and unaffordable by the public though it had been 10 years since the last fare increase by Citybus and NWFB. Mr LEUNG asked whether the Administration had agreed to the

proposed percentage increase and whether the fare increase could be effected by phase. DSTH(T)2 advised that under the current Fare Adjustment Arrangement for franchised buses, the Administration would take into account a number of factors in assessing a bus fare increase application, including public acceptability and affordability as well as change in operating costs and revenue of the bus companies concerned since the last fare adjustment. Among others, the Administration would also take into account views of the Panel members before submitting its recommendation to the Executive Council.

43. In response to Mr LEUNG Che-cheung's enquiry, Managing Director of Citybus Limited and NWFB responded that the commissioning of new railway lines had led to the substantial drop in patronage in 2016-2017. In this regard, Mr LEUNG asked whether the Administration had taken forward any policy initiative to balance the role played by different transport modes.

44. DSTH(T)2 advised that bus rationalization plans would be worked out whenever there was commissioning of new railway lines. The Transport Department ("TD") would assess the impact of new railways on other public transport modes, and devise a public transport re-organization plan to cater for the travelling needs of commuters and improve the operational efficiency of the public transport network. Deputy Commissioner/Transport Services and Management ("DC/TSM") supplemented that TD had formulated bus service rationalization plans in relation to the commissioning of the West Island Line ("WIL") and the South Island Line ("SIL") and consulted the District Councils concerned. With the implementation of the associated bus service rationalization proposals, a total of 122 buses were saved.

45. Mr Jeremy TAM pointed out that the fare increase applications made by the franchised bus companies in the past 10 years were all below 10% and that for the bus routes operating in the urban areas were only about 5%. Mr TAM also recalled that the recent fare increase of around 3% by the MTR Corporation Limited also received strong public opposition. Mr TAM opined that the increase in bus fare would have the effect of forcing more passengers to use railway service.

46. Noting from the above briefing that the returns of Citybus (Franchise 1) and NWFB would still remain at low level even with the fare increase of 12%, Mr TAM asked about the profit made last year. Managing Director of Citybus Limited and NWFB responded that the profit made in the last financial year (i.e. from 1 July 2016 to 30 June 2017) was over \$100

million. The above fare application was made in August 2017 and only half-year impact of the commissioning of the WIL and SIL had been reflected. Besides, the overall ridership dropped by more than 10% and the revenue reduced by \$300 million after the commissioning of the WIL and SIL.

47. While acknowledging that the commissioning of the above mentioned MTR services would affect bus ridership, Mr KWOK Wai-keung pointed out the expenditure of bus routes cut should also be reduced as a result. Managing Director of Citybus Limited and NWFB advised in response that the reduction of around 120 buses had resulted in saving of around \$100 million in cost. Taking into account the drop in fare revenue of around \$300 million, the net reduction in profit amounted to around \$100 to \$200 million.

Remuneration of bus captains and safety of buses in operation

48. Mr LUK Chung-hung pointed out that the basic monthly salary of around \$15,000 for the bus captains of Citybus Limited and NWFB was lower than the median monthly wage of around \$18,000 for the land transport industry. Mr LUK said the staff unions of Citybus Limited and NWFB requested for a substantial percentage increase for bus captains of over 18% and 8% respectively following the approval of the bus fare increase application. Mr LUK further expressed that given the low salary of bus captains and the hardship faced by them at work, it was difficult to hire and retain manpower in the industry and this would in turn affect the frequency and quality of bus service.

49. Managing Director of Citybus Limited and NWFB clarified that the average number of working hours of their bus captains was normally 10 hours. Based on the above number of working hours, the average monthly salary would amount to around \$20,000. He supplemented that, according to his understanding, the median monthly wage which was around \$18,000 for the land transport industry as mentioned by Mr LUK Chung-hung should also have included the annual bonus on top of the basic salary.

50. Mr LUK Chung-hung suggested that bus captains should receive full pay during the "stand-by period" in between the special shift duty. In response, Head of Operations, Citybus and NWFB advised that such payment arrangement was being made by Citybus Limited and NWFB.

51. Mr LAM Cheuk-ting expressed concern about the long working hours of bus captain and safety of buses in operation. He also urged the franchised companies to improve the remuneration of bus captains. Dr CHENG Chung-tai raised similar concern. Mr LAM noted that franchised bus companies had expressed their plans to reduce the maximum number of working hours of special shift duty to 13 hours. Mr LAM opined that even with the above revision, the rest time of bus captains would still be insufficient and thus he urged the franchised bus companies to consider further reducing the above limit to 11 or 12 hours.

52. Head of Operations, Citybus and NWFB advised that according to the Guidelines on Bus Captain Working Hours, Rest Times and Meal Breaks ("the Guideline") issued by TD, the number of working hours for a special shift duty could be 14 hours at maximum and that Citybus Limited and NWFB had also devised internal guideline in this regard. Head of Operations, Citybus and NWFB further advised that special shift duty only accounted for about 10% of all the work shifts. In considering the arrangement of special shift duty, the operational need and the manpower had to be taken into account. Head of Operations, Citybus and NWFB supplemented that 400 bus captains had to be employed if there was no arrangement of special shift duty and that even with special shift duty of 13 hours, an addition of 120 bus captains would still be required.

53. Dr Helena WONG echoed Mr LAM Cheuk-ting's view over long workings hours of bus captains and expressed that bus companies should give due regard to the health condition and work life balance of bus captains as well as safety of bus operation. In response to Dr WONG's enquiry, DC/TSM advised that after a comprehensive review of the Guidelines conducted in 2017, TD had announced its plan to revise the Guidelines, such that the maximum duty hours and driving hours in a shift would be shortened respectively from not exceeding 14 hours and 11 hours to not exceeding 12 hours and 10 hours; and that a new guideline would be added to enable bus companies to suitably arrange duty hours of bus captains in a special shift not to exceed 14 hours, and driving hours therein should not exceed 10 hours. DC/TSM emphasized that, in any case, the maximum driving hours should not exceed 10 hours and the revised Guidelines also stated that the rest times should not be less than three consecutive hours for bus captains in a special shift.

54. In response to Dr Helena WONG's further enquiry, DC/TSM supplemented that the above mentioned revised Guidelines would be implemented by phase owing to the need for franchised bus companies to recruit extra manpower. The franchised bus companies aimed at

implementing the revised Guidelines progressively from the second quarter of 2018, and fully implementing the revised Guidelines in one year's time.

55. Dr Helena WONG and Mr KWONG Chun-yu asked about the amount to be spent to improve the remuneration of bus captains following the proposed fare increase of 12%. Managing Director of Citybus and NWFB advised that no specific amount had been designated for the purpose of salary increase following the approval of the proposed fare increase but bus captains and frontline staff had received special pay increase in March/April 2018, which amounted to about \$64 million a year and that the management was reviewing the salary adjustment rate for 2018 with the staff representatives. The total additional amount to be spent on staff salary this year would be over 100 million.

Performance of Citybus Limited and NWFB

56. Mr AU Nok-hin expressed concern that comments from District Councils on bus routes rationalization had not been taken heed of and the passenger need of local community was not addressed. In particular, Mr AU pointed out that Citybus Limited and NWFB failed to address the demand for new routes and point-to-point service at certain destinations. Mr LAM Cheuk-ting also raised concern over the problem of lost trips. Mr AU, Mr LAM and Dr CHENG Chung-tai urged Citybus Limited and NWFB to improve the frequency and service quality of the bus service.

57. DC/TSM responded that TD would review the operation of bus services and plan for service improvement and rationalization proposals to meet passenger demand and improve bus network efficiency. TD attached great importance to views of DC members and would continue to strengthen the communication with local community with a view to addressing their needs. TD also kept a close eye on areas with population intake for planning new bus routes.

Opening up of real-time arrival information and related data

58. Mr Charles Peter MOK urged the franchised bus companies to open up the data, including the real-time arrival information, since the data involved public interest. Dr Elizabeth QUAT also called upon the Administration to impose conditions to require franchised bus companies to open up real-time arrival information and make available the relevant information of public transport services under one platform to provide the public with more innovative services creatively and to promote the development of Hong Kong as a smart city. Managing Director of Citybus

Limited and NWFB advised that the data collected was part of their assets and the income generated from advertisements at their application was a source of non-fare box revenue. DSTH(T)2 advised that the Administration would explore means to encourage bus companies to open up the data as far as possible.

59. Dr Elizabeth QUAT asked whether Citybus Limited and NWFB would explore with the feasibility of providing more choices of electronic payment methods. Managing Director of Citybus Limited and NWFB replied that liaison was being made with the electronic payment providers concerned and remarked that in considering the introduction of new/alternative means of electronic payment, the processing time and convenience of passengers should be the prime concern.

Fare concession

60. Mr KWOK Wai-keung pointed out that Citybus Limited was currently providing passengers aged 60-64 with fare concession. In response to Mr KWOK's enquiry on whether similar concession would be offered by NWFB, Managing Director of Citybus Limited and NWFB said that the feasibility of providing the above said fare concession for bus routes operated by NWFB would be explored subject to the financial viability of the company.

Motions

61. The Chairman decided that, in view of the insufficient meeting time and the absence of a quorum, the four motions raised by members at this meeting would be dealt with at the next regular meeting.

(Post-meeting note: The wording of the motions by Mr Jeremy TAM, Mr Charles MOK, Mr AU Nok-hin and Mr CHAN Han-pan and Mr LAU Kwok-fan [LC Paper Nos. CB(4)1279/17-18(01) to (04)] were issued to members on 25 June 2018.)

VI. Any other business

62. There being no other business, the meeting ended at 12:57 pm.