

立法會

Legislative Council

LC Paper No. CB(4)849/19-20
(These minutes have been
seen by the Administration)

Ref : CB4/PL/TP/1

Panel on Transport

Minutes of meeting
held on Friday, 17 January 2020, at 10:45 am
in Conference Room 1 of the Legislative Council Complex

Members present : Hon Frankie YICK Chi-ming, SBS, JP (Chairman)
Hon CHAN Han-pan, BBS, JP (Deputy Chairman)
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon LEUNG Che-cheung, SBS, MH, JP
Dr Hon Helena WONG Pik-wan
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon SHIU Ka-fai, JP
Hon Wilson OR Chong-shing, MH

Hon Tanya CHAN
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon Jeremy TAM Man-ho
Hon Tony TSE Wai-chuen, BBS

Members attending : Hon MA Fung-kwok, SBS, JP
Hon KWONG Chun-yu
Hon Vincent CHENG Wing-shun, MH, JP

Members absent : Hon Abraham SHEK Lai-him, GBS, JP
Hon Paul TSE Wai-chun, JP

Public officers attending : **Agenda item III**

Mr Frank CHAN, JP
Secretary for Transport and Housing

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

Ms Jerry JI
Principal Assistant Secretary for Transport and
Housing (Transport) 1

Ms Candy KWOK
Assistant Commissioner/Management & Paratransit
Transport Department

Mr Honson YUEN
Principal Transport Officer/Ferry and Paratransit
Transport Department

Mr HO Wing-hong
Assistant Director (Special Duties)
Marine Department

Agenda item IV

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

Miss Ann CHAN
Principal Assistant Secretary for Transport and
Housing (Transport) (Special Project)

Ms Candy KWOK
Assistant Commissioner/Management and
Paratransit
Transport Department

Mr Honson YUEN
Principal Transport Officer/Ferry and Paratransit
Transport Department

Agenda item V

Mrs Sharon YIP, JP
Deputy Secretary for Transport and
Housing(Transport)1

Mr Raymond SY
Principal Assistant Secretary for Transport and
Housing (Transport)5

Mr LUK Wai Hung, JP
Project Manager/Major Works
Highways Department

Ms Ada LAI
Chief Engineer 2/Major Works
Highways Department

Mr Samson LAM
Assistant Commissioner/Planning
Transport Department

Mr Kelvin SIU
Chief Engineer/Major Projects
Transport Department

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

Staff in attendance : Ms Angela CHU
Senior Council Secretary (4)2

Miss Mandy LAM
Legislative Assistant (4)2

Action

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

- | | |
|---|--|
| LC Paper No. CB(4)218/19-20(01)
(issued on 30 December 2019) | - Administration's response to the letter from Hon Paul TSE Wai-chun proposing to discuss the congestion problem in Happy Valley and Causeway Bay |
| LC Paper No. CB(4)226/19-20(01) | - Administration's response to a motion passed under the agenda item on "6101TX - "Universal Accessibility" Programme" raised at the meeting on 15 November 2019 |
| LC Paper No. CB(4)227/19-20(01) | - Administration's response to the letter from Hon CHU Hoi-dick requesting information relating to the Special Helping Measures provided by the Administration to the outlying island ferry routes |

- LC Paper No. CB(4)231/19-20(01) - Administration's response to a motion passed under the agenda item on "Outlying island ferry services" raised at the meeting on 15 November 2019
- LC Paper No. CB(4)235/19-20(01) - Administration's response to the issues relating to the blockage of major roads and trunks and vandalism of MTR railway lines by radical protestors and related transport measures
- LC Paper No. CB(4)260/19-20(01) - Letter from Hon Wilson OR Chong-shing requesting to extend the coverage of Universal Accessibility Programme in Kowloon East

Members noted the above papers issued since the last meeting.

2. The Chairman referred to the letter from Mr HUI Chi-fung addressing to the Panel Chairman dated 12 August 2019 about his intention to present three private member's bills to the Legislative Council on the carriage of bicycles on MTR and the "Star" Ferry service. Mr HUI would like to consult the Panel on his bill. His letter was circulated to members for references on 14 August 2019 (LC Paper No. CB(4)1174/18-19(01)). The Chairman sought members' views on this matter and members agreed to put this issue under the Panel's "List of outstanding items for discussion".

II. Items for discussion at the next meeting

- LC Paper No. CB(4)245/19-20(01) - List of outstanding items for discussion
- LC Paper No. CB(4)245/19-20(02) - List of follow-up actions

3. The Chairman said that at the Panel meeting held on 20 December 2019, members raised serious concern on the franchised bus accident happened at the Fanling Highway on 18 December 2019 and requested an early discussion on franchised bus safety. Having discussed with the Administration, the Chairman said that as the accident was under investigation by the Police, the Administration would give a full account of the accident as well as safety measures of franchised buses at the next regular meeting scheduled for 21 February 2020. Members raised no objection.

4. The Chairman said that he could not attend the Panel meeting originally scheduled for 17 April 2020 due to his other personal engagements. He suggested rescheduling the meeting to 24 April 2020 and sought members' views on the meeting date. Members raised no objection to the suggestion.

5. Members agreed to discuss the following items at the next regular meeting to be held on 21 February 2020:

- (a) Proposed creation of six permanent posts in the Highways Department, viz one Principal Government Engineer (D3) and three Chief Engineer (D1) posts to strengthen management and support in taking forward projects under the policy initiative of "Walk in Hong Kong" so as to enhance pedestrian networks and environment; and two Chief Engineer (D1) posts to strengthen road maintenance and district administration work in urban and New Territories regions;
- (b) Relaxation of vehicle length restriction of light bus and other relevant technical amendments; and
- (c) Safety of Franchised Bus Operations.

(Post-meeting note: on consideration of the latest situation of COVID-19 in the community, the meeting scheduled for 21 February 2020 had been cancelled. On the advice of the Administration, item (a) above was replaced with 6853TH – Widening of Castle Peak Road – Castle Peak Bay and was discussed at the meeting held on 20 March 2020 together with items (b) and (c).)

III. Fuel subsidy and one-off subsidy to transport and logistics trades

LC Paper No. CB(4)245/19-20(03) - Administration's paper on fuel subsidy and one-off subsidy to transport and logistics trades

Briefing by the Administration

6. At the invitation of the Chairman, Secretary for Transport and Housing ("STH") briefed members on the implementation details of the fuel subsidy and one-off subsidy provided for the transport and logistics trades as announced by the Financial Secretary in October 2019. Details of the subsidy scheme were set out in the Administration's paper (LC Paper No. CB(4)245/19-20(03)). STH said that the estimated total expenditure for implementing the subsidy scheme was about \$1.522 billion, benefitting around 61 000 taxi and red minibus ("RMB") drivers, 180 public transport operators, and owners of some 140 000 commercial vehicles/vessels. The estimated expenditure of the proposal would be included and reflected in the Draft Estimates of the relevant financial years and submitted together with the Appropriation Bill 2020 to the Legislative Council ("LegCo") for approval.

7. Mr Michael TIEN recognized that the transport and logistics trades had been hard-hit by the continuous public order events since June 2019, which had directly reduced people's desire of going out and the number of tourists visiting Hong Kong. However, he opined that the impact of the public order events on different public transport trades varied, with the MTR Corporation Limited ("MTRCL") experienced the greatest blow while patronage for franchised bus had actually increased. Yet he found that MTRCL was not included in the subsidy proposal. Mr TIEN was also concerned that the public transport operators were not required to submit any financial reports to the Administration for scrutinizing their financial situations before obtaining the fuel subsidy. He said that he would abstain from expressing support to the fuel subsidy proposal to observe the principle of prudent use of public funds. Mr Tony TSE asked if the Administration had conducted any reviews to ascertain how the public order events had adversely affected different public transport operators.

8. Addressing the above concerns, STH explained that the objective of the fuel subsidy and one-off subsidy was to assist the transport and logistics trades to cope with the increasingly challenging economic environment. Given the varied operational characteristics of different trades, the Administration had adopted different measures in implementing the subsidy scheme with a view to providing the most suitable support to the trades. In

considering various implementation options, the Administration was mindful that they should be simple and direct, easy to execute with low administrative costs involved so that the trades could be benefitted as soon as practicable.

9. Ir Dr LO Wai-kwok asked about the estimated expenditure for implementing the fuel subsidy for taxis, public light buses ("PLBs"), franchised buses, ferries and tramways. He also enquired whether the amount of fuel subsidy provided for the above trades, which estimated to be around one-third of the fuel cost, was comparable to the provision of one-off non-accountable subsidy of \$5,000 for each licensed non-franchised bus, goods vehicle and local commercial mechanized vessel. STH undertook to provide relevant information after the meeting.

(Post-meeting note: the Administration's response was issued to members vide LC Paper No. CB(4)474/19-20(01) on 24 April and 12 May 2020.)

10. Noting that the subsidy scheme would be rolled out in the second half of 2020, Mr LAU Kwok-fan urged the Administration to expedite the release of the subsidy so that the trades could receive it the soonest possible. He added that as a number of companies might have closed down by that time, he asked whether the collection of subsidy would have retrospective effect. Mr POON Siu-ping raised similar concern and suggested the Administration releasing the one-off non-accountable subsidy of \$5,000 to non-franchised buses, good vehicles, commercial vehicles/vessels and school private light buses first as the subsidy involved less administrative and logistical arrangements.

11. STH replied that subject to the funding approval by LegCo on the Appropriation Bill 2020, the Transport Department ("TD") would take forward relevant preparatory work and administrative arrangements with a view to rolling out the scheme as early as practicable. TD would endeavor to expedite relevant arrangements.

12. Mr Tony TSE and Mr POON Siu-ping opined that the fuel subsidy would mainly benefit public transport operators or taxis owners, but assistance offered to drivers were quite minimal. In reply, STH said that as most taxi and RMB drivers were rentee-drivers and had to fill up the vehicles at their own expense, the fuel subsidy provided to drivers at liquefied petroleum gas ("LPG") stations would directly alleviate the financial pressure on frontline drivers in a simple and convenient way. In addition, the Administration would offer other measures to support small and medium

enterprises ("SME") and individuals amidst the difficult environment to relieve their financial burden.

13. YIU Si-wing said that non-franchised bus operators were hard-hit by the significant drop in tourists with many of their coaches left idle. Given that there was an acute shortage of parking space for commercial vehicles, he and Mr POON Siu-ping suggested the Administration to consider allocating more short-term parking facilities for their use. STH replied that the Administration was actively considering the suggestion and would give a response on this soon.

14. The Deputy Chairman expressed that as many major roads and trunks were blocked by radical rioters, commuters found it very difficult for them to go to school or work. He suggested the Administration to consider offering free toll as a direct mean of compensation. Mr LAU Kwok-fan expressed similar view.

15. As some franchised bus companies also operated non-franchised bus ("NFB") services, the Deputy Chairman enquired about measures to prevent these companies from using the fuel subsidy to cross-subsidize their NFB operations. He also urged the Administration to ensure that discount and concessions currently offered by LPG, diesel and petrol stations would not be changed as a result of the provision of fuel subsidy.

16. STH replied that fuel subsidy provided for public transport operators were non-transferable. In addition, operators were required to submit periodic financial data to TD for monitoring purposes, and the Administration would closely monitor the financial data for any irregularities. As regards ongoing discounts and promotions, the oil companies would have to provide the government subsidy on top of existing discounts to drivers.

17. Given that taxi and PLB drivers would be offered a \$1.0 discount per litre of LPG at LPG filling stations, Mr Jeremy TAM asked how the Administration could ensure that LPG companies would not manipulate the price of LPG so that the fuel subsidy would benefit the LPG companies instead of frontline drivers. Mr SHIU Ka-fai also enquired measures to prevent drivers or operators of petrol taxis and diesel PLBs from exploiting the fuel subsidy and resell the subsidized petrol and diesel for profit.

18. Deputy Secretary for Transport and Housing (Transport) 2 ("DS/TH2") replied that the Government offered land at zero land premium to operators to set up dedicated LPG filling stations at 12 locations in early years. The LPG retail prices of these dedicated stations were governed by a

pricing formula. At present, these dedicated stations had a market share of around 65%. For other non-dedicated LPG stations, their LPG retail prices would be affected by the pricing of the dedicated stations. The Administration would monitor the changes in LPG retail prices. As regards fuel subsidy for petrol taxis and diesel PLBs, although petrol and diesel were much more transferable than LPG, there would be considerable safety risks involved in transferring them. It was thus considered that the chance of reselling the subsidized petrol and diesel was low. In addition, unlike LPG taxis and PLBs where drivers would be offered direct discount at filling stations, petrol taxi and diesel PLBs drivers would need to claim reimbursement from the Administration of one-third of their fuel cost upon presentation of refilling receipts. In this way, the Administration could monitor the refilling amount and frequency so as to avoid abuse.

19. Having noted that about \$10 million would be incurred as staff and administrative costs for implementing the subsidy scheme, the Deputy Chairman and Mr LEUNG Che-cheung asked if the cost could be trimmed down by deploying existing manpower resources within TD to carry out such duties.

20. STH replied that the Administration would endeavor to reduce the related administrative cost as far as possible, and the relevant cost accounted for less than 1% of the estimated total expenditure. DS/TH2 added that the creation of time-limited non-civil service posts was required to undertake administrative arrangements such as setting up an electronic platform for disbursement of the subsidy.

21. Mr LEUNG Che-cheung and Ir Dr LO Wai-kwok asked if there were any measures that could assist certain owners of taxis, minibuses and vans which were vandalized by rioters on the street but were not indemnified of the damages under existing insurance policy. STH said that he was aware of such situations. Although limited assistance could be offered to these individuals under prevailing transport policy, the Administration was formulating additional relief measures with a view to supporting SMEs and alleviating the financial burden to members of the public. Details of the measures would be announced soon.

IV. Progress of implementation of the Public Transport Fare Subsidy Scheme

LC Paper No. CB(4)245/19-20(04) - Administration's paper on Progress of Implementation

of the Public Transport Fare Subsidy Scheme

- LC Paper No. CB(4)245/19-20(05) - Paper on Public Transport Fare Subsidy Scheme prepared by the Legislative Council Secretariat (Updated background brief)

Briefing by the Administration

22. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport) 2 ("DS/TH2") briefed members on the progress of implementing the Public Transport Fare Subsidy Scheme ("PTFSS") launched by the Administration in 2019. Details of the briefing were set out in the Administration's paper. DS/TH2 said that according to the actual data collected during the first year of implementation, the total annual subsidy amount was about \$1.9 billion, benefiting around 2.2 million passengers per month on average. To further alleviate commuters' fare burden, the Chief Executive proposed in the 2019 Policy Address to increase the subsidy rate of the PTFSS from one-fourth to one-third of the monthly public transport expenses in excess of \$400, and raise the subsidy cap from \$300 to \$400. The enhanced PTFSS came into effect on 1 January 2020. In addition, a review on the operation details of the PTFSS had been commenced and would be completed by end 2020, and the Administration would report the review findings to the Panel in due course.

Discussion

Subsidy amount and the number of beneficiaries under the PTFSS

23. Noting from the Administration's paper that there was about 15% of commuters who had not collected the subsidy under the PTFSS during the first year of implementation and that the average amount of monthly subsidy per beneficiary was \$73 only, Deputy Chairman, Ir Dr LO Wai-kwok, Mr LAU Kwok-fan and Mr LUK Chung-hung opined that the subsidy amount was too minimal to motivate commuters to collect the subsidy. These members opined that the objective of the PTFSS was to relieve the fare burden of commuters, but the transport expenses of commuters had to exceed \$400 per month in order to be eligible to collect the subsidy. As passengers who travelled short distance to school or work could not benefit much from the PTFSS, they called on the Administration to consider lowering the

threshold from \$400 to \$300 so as to allow more commuters to benefit from the PTFSS.

24. DS/TH2 explained that the policy objective of the PTFSS was to relieve the fare burden of the commuters travelling on local public transport services whose transport expenses were relatively high. To further alleviate commuters' fare burden arising from increasing public transport expenses, the Administration had increased the subsidy rate of the PTFSS from one-fourth to one-third of commuters' monthly public transport expenses in excess of \$400 and raised the subsidy cap from \$300 to \$400 per month. With the above enhancements, the estimated annual subsidy amount given out to commuters would increase from around \$2.3 billion to around \$3.1 billion. As regards members' suggestion on lowering the threshold from \$400 to \$300, the Administration considered that the aforementioned enhancements had already brought much benefits to commuters, and due considerations had to be taken on the prudent use of public funds. Having said that, the Administration would keep in view feedback from the public on the PTFSS for further enhancements if considered appropriate.

25. The Deputy Chairman and Mr LUK Chung-hung expressed disappointment to the above reply and reiterated their request of lowering the threshold. Noting that the Administration had commenced a review on the PTFSS in early 2020, these two members urged the Administration to gauge the views from members of the public to ascertain the reasons for not collecting the subsidy and also the appropriate threshold level that would benefit most people. Mr LUK also requested the Administration to review the threshold level a year later.

26. DS/TH2 advised that the review would focus on examining the specific operational arrangements of the PTFSS such as the validity period, procedures and channels for subsidy collection and monitoring measures and so forth. As the Administration had already adjusted the subsidy rate and subsidy cap on 1 January 2020, it would not revisit this issue in the near future unless situation so warranted.

27. Dr CHENG Chung-tai commented that it did not worth all the administrative efforts in launching the PTFSS if the average amount of monthly subsidy per beneficiary was only around \$73. In view of the frequent fare increase by different public transport services, Dr CHENG enquired whether the Administration had projected the effect of the PTFSS in alleviating the fare increase burden of commuters. In his view, it might be more direct and useful to commuters if the fare of public transport services could be kept frozen or lowered.

28. DS/TH2 explained that in considering the financial viability of public transport operators, it would be necessary to allow fare adjustment in order to maintain operational sustainability of public transport services. The Administration would carefully scrutinize each fare increase application submitted by public transport operators to ensure public affordability at the same time. After the enhancement of the PTFSS, the estimated annual subsidy amount would increase from \$2.3 billion to around \$3.1 billion, benefitting about 2.2 million commuters per month on average.

29. On Mr POON Siu ping's enquiry, DS/TH2 explained that the staging of public order events during the second half of 2019 might have an adverse impact on the total amount of subsidy disbursed, as members of the public were more inclined to commute less frequently due to security reasons.

Subsidy collection arrangement

30. Mr CHAN Chi-chuen suggested that the Administration could relax the subsidy collection period from three months to a longer period so as to facilitate commuters to collect the subsidy if they had not done so within three months. He also recommended the Administration to further promote the collection of subsidy via mobile applications. DS/TH2 took note of the suggestions. On the validity period of subsidy collection, DS/TH2 explained that there would be technical difficulties in relaxing the period. However, for members of the public who had not collected their subsidy within three months, the Administration had introduced a temporary arrangement whereby these commuters could apply for claiming the expired subsidies through the PTFSS Hotline. During the first three months of 2019, around \$21,000 expired subsidy was claimed through this special arrangement, accounting for about 0.05% of the total unclaimed subsidy for the period.

Participation of public transport operators in the PTFSS

31. Mr LAU Kwok-fan and Mr POON Siu-ping observed that the overall participation of non-franchised bus operators running residents' services ("RS") and employees' service ("ES"), as well as red minibus ("RMB") operators were on the low side. They enquired about ways to encourage their participation in the PTFSS so that more passengers could benefit. Mr LAU also urged the Administration to speed up the vetting process for applications submitted by these operators in joining the PTFSS.

32. DS/TH2 replied that the TD would actively follow-up with operators

of RS, ES and RMB for their joining of the PTFSS. However, ES, RS and RMB operators had to go through certain application procedures and to comply with prescribed operational requirements if they wished to join the PTFSS. For instance, applications made by ES and RS operators had to be substantiated by service contracts signed with representatives of the employers and the resident owners respectively, and that their applications had to be supported by these representatives. Also, operators would have to install Octopus payment system, submit operational data regularly and upload transaction records in a timely manner. Nevertheless, TD would endeavor to speed up the vetting process as far as practicable. As regards RMB, the Administration had been taking proactive measures to encourage their joining of the PTFSS, and would provide technical assistance on related matters such as the installation of Octopus payment system.

Concerns about abuse of the PTFSS by parallel traders

33. Ms Claudia MO and Mr CHAN Chi-chuen expressed concern about the abuse of the PTFSS by parallel traders. Despite the number of Octopus users with average monthly public transport expenses exceeding \$2,000 was few, they pointed out that these traders might use more than one Octopus card to evade the Administration's monitoring. Both Ms MO and Mr CHAN urged the Administration to formulate effective measures to prevent their abuse of the PTFSS.

34. DS/TH2 replied that it would be difficult for the Administration to precisely distinguish parallel traders solely on the basis of their commuting pattern or actual public transport expenses. In fact, the number of users holding more than one Octopus card, or Octopus users with very high average monthly transport expenses had not changed much since the launch of the PTFSS. However, the Administration would continue to closely monitor the situation and examine the relevant issue in the review of the PTFSS.

Inclusion of "five groups six routes" in the PTFSS

35. Mr YIU Si-wing declared that the company he was working for had operated cross-boundary coach services. He commented that it was unfair to exclude "five groups six routes" from the PTFSS, i.e. cross-boundary coach services plying between the Huanggang Control Point and various parts of Hong Kong. However, MTR trips to and from Lo Wu or Lok Ma Chau were covered under the PTFSS. Since many Hong Kong residents were using these coach services to travel to and from the Mainland for school and work daily, excluding these coach services from the PTFSS would

deprive them of the opportunity to benefit from the PTFSS. It would also pose unfair competition to cross-boundary coach services.

36. DS/TH2 explained that MTR trips to and from Lo Wu and Lok Ma Chau were covered under the PTFSS because they were public transport services running within the boundary of Hong Kong. As far as cross-boundary coach services were concerned, it was observed that there was no significant shift of passenger from coach service to MTR service since the launch of the PTFSS. However, the Administration would keep in view relevant statistics and monitor the situation closely.

Conclusion

37. The Chairman concluded that majority of the members supported the enhancement of the PTFSS to increase the subsidy rate and raise the subsidy cap. He urged the Administration to consider members' suggestion on lowering the threshold level so that more commuters could benefit from the PTFSS.

V. 6875TH - Noise enclosures at Gascoigne Road Flyover

LC Paper No. CB(4)245/19-20(06) - Administration's paper on
875TH - Noise Enclosures
at Gascoigne Road
Flyover

Briefing by the Administration

38. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport) 1 ("DS/TH1") briefed members on the funding application for upgrading 875TH "Noise Enclosures at Gascoigne Road Flyer ("GRF")" to Category A. Details of the briefing were set out in the Administration's paper. DS/TH1 added that subject to funding approval of the Finance Committee ("FC") of the Legislative Council ("LegCo") in the current legislative session, the Administration would commence the proposed works in the first quarter of 2021 for completion in 2025 to tie in with the commissioning of the Central Kowloon Route ("CKR") which was currently under construction.

39. Project Manager/Major Works of Highways Department ("PM/HyD") supplemented the details of the works project.

Discussion

40. Pointing out that the Prosperous Garden ("PG") and Yaumati Catholic Primary School ("YMTCPs") had been there being close to GRF for a long time, Mr Tony TSE asked about the reasons for proposing to construct the full noise enclosures only at this moment. He asked whether the noise level recorded at the two sites had reached a point beyond relevant statutory level.

41. PM/HyD responded that when the Administration consulted the Panel on the funding application for the CKR project on 17 March 2017, members expressed deep concern over the noise impact arising from the existing traffic at GRF to the nearby residents, and requested replacing the originally proposed semi-enclosure along the section of GRF fronting Blocks 1 and 5 of PG with a full noise enclosure and extending the full enclosure along GRF fronting Blocks 3 and 4 of PG northward to beyond YMTCPs. Since these two additional noise enclosures were beyond the mitigation measures required under the Environmental Permit issued by the Director of Environmental Protection for the CKR project, the Administration put forward a compromise scheme in June 2017 to implement the two proposed noise enclosures under a separate public works programme. The above was the background of the present 875TH works proposal.

42. As regards noise level, PM/HyD explained that in undertaking a major public road project which was classified as Designated Project under the Environmental Impact Assessment Ordinance (Cap. 499) ("EIAO") such as the CKR project, the Highways Department ("HyD") would conduct an Environmental Impact Assessment ("EIA") for the project in accordance with the EIAO. HyD would undertake relevant mitigation measures to minimize noise impact to the nearby residents if so required. At the request of Mr TSE, PM/HyD agreed to provide further information on the justifications for constructing the noise enclosures including the mitigation effect on the traffic noise and the number of beneficiaries from the project.

(Post-meeting note: the Administration's response to the above issue was issued to members vide LC Paper No. CB(4)551/19-20(01) on 12 May 2020.)

43. Noting that the project would commence by the first quarter of 2021, Mr YIU Si-wing expressed concern about the delay in implementing the project, which was indeed proposed by members in 2017. He was worried that the delay would also affect the progress of CKR project under

construction. PM/HyD explained that the present proposal had taken account of the works interface among the two projects and would not affect the construction progress of CKR. It was estimated that the two noise enclosures would be completed in 2025 to tie in with the completion and commissioning of CKR at about the same time.

44. Mr YIU recalled that residents of PG had expressed concern about the location of a vertical opening at the noise enclosure fronting Blocks 1 and 5 of PG and asked if the issue had been settled. PM/HyD responded that HyD had revisited the design under which the vertical opening would be relocated farther away from PG, and the revised design was supported by residents of PG and other relevant stakeholders.

45. Ir Dr LO Wai-kwok expressed support to the proposal. Given the complexity and size of the project, Ir Dr LO asked about the repair and maintenance of the noise enclosures upon completion. Chief Engineer 2/Major Works of HyD ("CE/HyD") replied that HyD had discussed with relevant departments in formulating repair and maintenance plan for the noise enclosures. In reply to Mr YIU Si-wing's further enquiry, CE/HyD said that the annual maintenance cost for the noise enclosures was projected to be around \$2.15 million.

46. In light of the number of funding proposals pending approval by FC of LegCo as well as the scrutinizing progress at present, Mr POON Siu-ping asked if the Administration had any fall-back option if the proposed project could not secure the support of FC within the current legislative session. Mr POON also asked if the Administration had consulted the newly elected District Councils ("DCs") on the project given that many residents of Yau Tsim Mong district had diverse views about this previously.

47. DS/TH1 reiterated that the present proposal would not affect the progress of the CKR project as the funding for the latter had been secured. If the present proposal could not secure the support of FC within the current legislative session, the construction of the two noise enclosures would not be taken forward and the Administration would have to re-submit the funding application in the next legislative term. In addition, the Administration had conducted public consultation according to established practices on the proposals for works project as well as relevant mitigation measures. HyD would maintain close contact with relevant DCs and provide updates to them on the progress of the works project as and when necessary.

48. In reply to Mr POON's enquiry on the traffic management during construction of the project as well as the handling of construction waste,

PM/HyD said that HyD had discussed with TD and the Police on temporary traffic arrangements and road diversion schemes to ensure that nearby traffic would not be adversely affected by the construction. Also, it was estimated that the project would generate 5 950 tonnes of construction waste, of which 1 200 tonnes (about 20%) of inert waste would be re-used on site.

49. On Mr Tony TSE's enquiry on the cost of the project, PM/HyD explained that the present project estimate of \$482.4 million in money-of-the-day prices was much lower than the projected cost of over \$1,100 million quoted in the Administration's paper provided to the Panel in 2017 because the cost estimate at that time was based on a very preliminary design with a contingency included to cater for unforeseen circumstances which might be encountered during design development and subsequent construction works. As HyD had conducted detailed design for the project with cost saving measures such as sharing the foundation and traffic diversion schemes with the CKR project, cost estimate could now better reflect construction and circumstantial factors.

50. Mr Michael TIEN quoted the Administration's paper in 2017 (CB(4)1191/16-17(01)) that the construction of the 100 metre long full noise enclosure fronting PG would have the effect of reducing noise level of 1.0 dB(A) for three dwellings only. However, the construction cost of this section of noise enclosure would amount to around \$330 million. Similarly, the additional noise mitigation effect brought about by the extended full noise enclosure to YMTCPS would be a reduction of 1.0 dB(A) only for about 50 dwellings at a construction cost of around \$160 million. Considering the limited noise reduction effect and the number of beneficiaries as well as the high cost of construction, Mr TIEN said that he did not support the works project from the perspective of prudent use of public funds.

51. Dr Helena WONG said that during previous discussions of CKR project at relevant committee meetings of LegCo, members were very concerned about the limited mitigation effects of the then proposed noise enclosures and urged the Administration to refine the scheme. Many LegCo Members also paid site visits to GRF and met with residents of PG to better understand their views. As PG and YMTCPS was in close proximity to GRF, their concerns on the noise and air impact of CKR would need to be better addressed. Dr WONG expressed support to the construction of the noise enclosures as the Administration had paid heed to the requests of members and PG residents in coming up with the present proposal. However, Dr WONG reminded the Administration to provide more justifications to address the concern raised by Mr TIEN when putting forth

the proposal to the Public Works Subcommittee ("PWSC") under FC for scrutiny, including the reduction in noise level and air pollution, number of beneficiaries under the projects, and whether the noise and air quality levels after the construction of the two full enclosures were in compliance with the latest standards stipulated under EIAO. She also requested the Administration to provide a detailed breakdown on the construction cost for members to evaluate the project's cost effectiveness.

(Post-meeting note: The Administration's supplementary information was issued to members vide LC Paper No. CB(4)551/19-20(01) on 12 May 2020.)

Conclusion

52. The Chairman concluded that a majority of members expressed support for the funding application, and requested the Administration to provide more details on project justifications, benefits to be brought about by the project, number of beneficiaries and cost breakdown when submitting the proposal to PWSC for consideration.

VI. Any other business

53. There being no other business, the meeting ended at 12:54 pm.

Council Business Division 4
Legislative Council Secretariat
5 August 2020