

Head 186 — TRANSPORT DEPARTMENT

Controlling officer: the Commissioner for Transport will account for expenditure under this Head.

Estimate 2018–19	\$4,485.9m
Establishment ceiling 2018–19 (notional annual mid-point salary value) representing an estimated 1 676 non-directorate posts as at 31 March 2018 rising by 119 posts to 1 795 posts as at 31 March 2019.....	\$895.5m
In addition, there will be an estimated 29 directorate posts as at 31 March 2018 rising by three posts to 32 posts as at 31 March 2019.	
Commitment balance.....	\$1,262.6m

Controlling Officer's Report

Programmes

Programme (1) Planning and Development	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing).
Programme (2) Licensing of Vehicles and Drivers	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing) and Policy Area 25: Revenue Collection and Financial Control (Secretary for Financial Services and the Treasury).
Programme (3) District Traffic and Transport Services	These programmes contribute to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing).
Programme (4) Management of Transport Services	
Programme (5) Transport Services for Persons with Disabilities and Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities	This programme contributes to Policy Area 14: Social Welfare (Secretary for Labour and Welfare).
Programme (6) Public Transport Fare Subsidy Scheme	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing).

Detail

Programme (1): Planning and Development

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	397.8	446.3	456.7 (+2.3%)	562.3 (+23.1%)
				(or +26.0% on 2017–18 Original)

Aim

2 The aims are to assist in the formulation of transport policies and infrastructure development programmes for safe and efficient passenger, pedestrian and goods movements and to implement the Government's policy on public transport development, franchising and regulation, all of which contribute towards the sustainable development of Hong Kong.

Brief Description

- 3 The work of the Department involves:
- conducting studies for transport planning for Hong Kong, which forms the basis for formulating transport policies and strategies and developing transport infrastructure, public transport development programmes and measures to deal with traffic congestion;
 - scrutinising traffic impact assessments for developments and advising on building development proposals and town planning matters;

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- providing traffic and transport input for the planning and implementation of new railways and strategic highway projects;
- planning and developing franchised bus, non-franchised bus, tram, taxi, ferry and public light bus services, formulating regulatory measures for the services, and planning their related facilities;
- monitoring existing railway services, assessing the impact of new railways on other public transport modes and maintaining a co-ordinated network of public transport services along rail corridors; and
- processing service planning programmes and applications for fare adjustment for different public transport modes.

4 In 2017, the Department extended the ferry service licences of the six major outlying island ferry routes for the 2017–2020 licence period with the continued provision of the special helping measures (SHM) and service enhancement. It started negotiation with The “Star” Ferry Company, Limited on the new franchise upon the expiry of the current franchise in March 2018. It handled fare increase applications from franchised buses, green minibuses, trams, taxis as well as franchised and licensed ferry operators. It completed the phased implementation of the public transport service re-organisation plans to tie in with the change in passenger patronage pattern of different public transport modes after the commissioning of the Kwun Tong Line Extension (KTE) and the South Island Line (East) (SIL(E)). It formulated the public transport service plan for West Kowloon Station to tie in with the commissioning of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link. It also commenced the study on public transport service re-organisation plans in association with the Shatin to Central Link (SCL) for its scheduled phased commissioning starting from 2019. It completed the negotiations with the Kowloon Motor Bus Company (1933) Limited (KMB), which was granted a new franchise for its bus network in March 2017. It worked with the franchised bus companies in pursuing route rationalisation proposals through the annual route planning programmes. In addition, it assisted the Transport and Housing Bureau (THB) to complete the Public Transport Strategy Study in examining the roles and positioning of public transport services other than the heavy rail. It assisted THB to take forward in phases the recommendations of the Report on Study of Road Traffic Congestion in Hong Kong compiled by the Transport Advisory Committee for alleviating road traffic congestion, and commenced a feasibility study on Electronic Road Pricing pilot scheme in Central and its adjacent areas. It continued to improve existing cycle tracks and associated facilities in nine new towns in the New Territories and reviewed pre-selected bicycle prohibition zones on roads in Hong Kong.

5 The key performance measures in respect of planning and development are:

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
public transport forward planning programmes processed	7	7	7
processing of bus service rationalisation packages	79	140#	75
new or extension of licences for ferry services granted	33	57^	28
bus-bus interchange (BBI) schemes introduced	37¶	32¶	15
project definition statements/technical feasibility statements for inclusion of transport infrastructure projects in Public Works Programme processed	2	2	12Ψ

The number of bus service rationalisation packages processed in 2017 was higher than those in 2016 and 2018 as the majority of public transport re-organisation proposals arising from the commissioning of KTE and SIL(E) were implemented in 2017.

^ These licences include licensed ferry service and kaito ferry service. As kaito ferry licences are normally extended for a period of two years, and as historically the expiry of the majority of kaito licences fall within the same year, there is an upsurge in the number of extension of kaito ferry licences every two years. The figure of 2017 reflects such pattern.

¶ The number of BBI schemes was much higher in 2016 and 2017, due to the 31 additional schemes offered by Citybus Limited (Franchise for Hong Kong Island and Cross-harbour Bus Network) under its new franchise which commenced in June 2016, 13 additional schemes offered by KMB under its new franchise which commenced in July 2017, and four schemes in connection with the bus route re-organisation plans associated with the commissioning of KTE and SIL(E).

Ψ The estimated number of project definition statements/technical feasibility statements to be processed in 2018 is higher than those in 2016 and 2017 as the Department is planning for the implementation of various road/pedestrian improvement projects and public transport interchange projects in 2018.

Matters Requiring Special Attention in 2018–19

6 During 2018–19, the Department will:

- continue to plan and formulate bus route rationalisation proposals in conjunction with franchised bus companies through the annual route planning programme exercise and using the “Area Approach” where appropriate;
- commence stakeholder consultation on public transport service re-organisation proposals in connection with the commissioning of SCL;

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- conduct a review study on the operating conditions of public light buses after the increase in the maximum seating capacity;
- continue to implement the recommended measures under the Public Transport Strategy Study;
- assist THB in the legislative amendment exercise for the implementation of franchised taxis;
- continue to assist THB in updating the fare adjustment arrangement for franchised bus service;
- continue to encourage franchised bus companies to deploy environment-friendly buses at busy corridors and continue to support the Environmental Protection Department to carry out the on-going trial of electric buses;
- provide timely traffic and transport input for the planning and implementation of new railways, strategic highways and major new development projects;
- continue to update and enhance the transport model for planning purpose;
- subject to the funding approval of the Legislative Council (LegCo), commission the Strategic Study on Major Roads beyond 2030;
- continue to implement the SHM for the six major outlying island ferry routes for the 2017–2020 licence period and assist THB in making preparation for the review due for completion in 2019 on whether SHM would be the most desirable long-term operation model for maintaining the financial viability of ferry services;
- continue to assist THB in taking forward in phases the recommendations of the Report on Study of Road Traffic Congestion in Hong Kong compiled by the Transport Advisory Committee for alleviating road traffic congestion, in particular, undertaking the feasibility study on Electronic Road Pricing pilot scheme in Central and its adjacent areas;
- continue to assist THB in conducting a study on the overall strategy and feasible options for traffic distribution among the three road harbour crossings and three land tunnels between Kowloon and Sha Tin, with a view to putting toll adjustment proposals to LegCo Panel on Transport for discussion;
- assist THB in fostering a pedestrian-friendly environment and promoting “Walk in HK”, including the undertaking of a study on enhancing walkability in Hong Kong, a study on reviewing and improving the assessment mechanism for hillside escalator links and elevator systems proposals, and a feasibility study on enhancing the pedestrian connectivity on Hong Kong Island North from Wan Chai to Sheung Wan;
- conduct a study on parking for commercial vehicles;
- continue to develop schemes to improve existing cycle tracks and associated facilities in nine new towns in the New Territories; and
- continue to carry out pilot renovation projects to enhance the design and facilities of a covered public transport interchange and a ferry pier for providing passengers with a more comfortable waiting environment.

Programme (2): Licensing of Vehicles and Drivers

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	377.9	379.9	390.4 (+2.8%)	432.8 (+10.9%)
				(or +13.9% on 2017–18 Original)

Aim

7 The aims are to operate an efficient vehicle and driver registration and licensing system, and to promote road safety through the efficient regulation of vehicles and drivers.

Brief Description

8 The work of the Department involves:

- handling the registration of vehicles, issue and renewal of vehicle and driving licences, transfer of vehicle ownership and issue and renewal of Closed Road Permits for cross-boundary vehicles;
- taking enforcement action on unauthorised operation of vehicles governed under the Passenger Service Licence (PSL) System;
- instituting prosecution action in relation to the Driving Offence Points (DOP) System, non-compliance cases of Mandatory Attendance of Driving Improvement Courses (MDIC), and traffic offences in the control areas of government tunnels and bridges;

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- processing applications for PSLs and Hire Car Permits in respect of public service vehicles and other miscellaneous licences;
- inspecting the roadworthiness and emission condition of vehicles through government-operated vehicle examination centres;
- supervising the performance of the management contractor of the New Kowloon Bay Vehicle Examination Centre, regulating the operation of designated car testing centres, and monitoring the bus maintenance of franchised bus companies;
- promoting safer vehicles through reviewing and updating the relevant vehicle regulations and safety standards; and
- arranging written and road tests for drivers and driving instructors, monitoring the operation of designated driving schools, driving improvement schools and pre-service training schools, and promoting road safety through the driving improvement scheme and pre-service courses.

9 In 2017, the Department continued to provide support to the Environment Bureau in continuing the implementation of the Ex-gratia Payment Scheme for Phasing out Pre-Euro IV Diesel Commercial Vehicles and the promotion of the use of environment-friendly commercial vehicles.

10 The key performance measures in respect of licensing of vehicles and drivers are:

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
conducting road test				
within 82 days upon application for light bus, bus, medium and heavy goods vehicle and articulated vehicle driving licence (% of all cases)	95	100	100	95
conducting written test				
within 45 days upon application for learner driving licence (% of all cases)	98	100	100	98
within 60 days upon application for taxi driving licence (% of all cases)	98	100	100	98
announcing written test result within 15 minutes upon completion of the test (% of all cases)	98	100	100	98
providing driving licence renewal service over the counter within 70 minutes (% of all cases)	98	100	99	98
providing vehicle licence renewal service over the counter within 70 minutes (% of all cases)	95	99	99	98
providing non-counter licensing services within ten working days upon application (% of all cases)	95	100	100	100
conducting annual examination of vehicles at government centres within ten working days upon application (% of all cases)	100	100	100	100
conducting recheck examination of vehicles at government centres within four working days upon application (% of all cases)	100	100	100	100

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
written tests arranged for			
private car, motorcycle and light goods vehicle drivers	66 704	64 382	64 400
taxi drivers	9 260	9 115	9 100
road tests arranged for			
private car drivers	53 434	54 028	54 100

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	2016 (Actual)	2017 (Actual)	2018 (Estimate)
motorcycle and light goods vehicle drivers	100 970	100 031	100 000
other drivers	14 835	15 191	15 200
vehicle licence transactions	1 768 000	1 858 000	1 858 000
driving licence transactions	1 507 000	1 874 000	1 926 000
new DOP summonses issued	1 782	2 333	2 000
new MDIC summonses issued	719	841	700
summonses issued for traffic offences in control areas of government tunnels and bridges	4 121	4 118	4 200
inquiries on unauthorised operation by vehicles governed under the PSL System	35	35	35
vehicles inspected at government centres			
public service vehicles	47 000	47 000	47 000
light goods vehicles (exceeding 1.9 tonnes Gross Vehicle Weight (GVW))	73 000	73 000	74 000
medium and heavy goods vehicles	47 000	47 000	47 000
private cars and light goods vehicles (not exceeding 1.9 tonnes GVW) inspected at designated centres	323 000	331 000	337 000
daily spot checks on franchised buses in service	14	14	14

Matters Requiring Special Attention in 2018–19

11 During 2018–19, the Department will continue to:

- provide efficient and courteous licensing services for the issue and renewal of licences and permits with particular attention given to the upsurge in renewal applications of the ten-year driving licences;
- conduct process re-engineering of licensing services to improve efficiency and customer service;
- pursue legislative amendments on motor vehicle construction regulations;
- support the implementation of the Ex-gratia Payment Scheme for Phasing out Pre-Euro IV Diesel Commercial Vehicles and the Tax Incentives Scheme for Environment-friendly Commercial Vehicles; and
- assist THB in the legislative amendment exercise on reviewing the eligibility requirements for applications of commercial vehicle driving licences, and continue with the preparation work for extending the pre-service course requirement for new public light bus driving licence holders to cover taxi and public bus drivers.

Programme (3): District Traffic and Transport Services

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	460.0	478.3	501.7 (+4.9%)	524.7 (+4.6%)
				(or +9.7% on 2017–18 Original)

Aim

12 The aim is to enable safe and orderly movement of pedestrians and road traffic and provision of efficient and effective public transport services by implementing traffic management schemes, improving road and pedestrian facilities, installing and operating intelligent transport systems, monitoring and regulating public transport operations, formulating and implementing road safety strategies and measures, and maintaining regular dialogue with District Councils and other public bodies.

Brief Description

13 The work of the Department involves:

- regulating and monitoring the operation of public transport services;
- maintaining close liaison with public transport operators and the related trades and associations including the goods vehicle and cross-boundary bus trades;
- providing professional transport advice to improve access to public transport and provision of transport facilities for persons with disabilities;
- maintaining close contact with public transport operators and disseminating timely traffic and transport information to the public in case of traffic incidents;
- planning and introducing new green minibus services;

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- planning and implementing public transport services and facilities to tie in with the commissioning of new infrastructure projects, including new railways and land boundary control points;
- planning and implementing special traffic and transport arrangements to facilitate public events including international conventions and exhibitions, sports, cultural, festive and social events;
- designing and implementing road improvement works, traffic management measures, measures to improve pedestrian facilities and other proposals to ensure the efficient use of limited road space and to enhance road safety;
- planning and implementing public transport services and related public transport facilities to tie in with housing and commercial developments;
- evaluating and introducing new technologies, including intelligent transport systems, to enhance the management and operation of the transportation system of Hong Kong and deploying information technology to improve the business and planning process; and
- continuing to deploy intelligent transport systems including area traffic control (ATC) systems, traffic control and surveillance systems on strategic roads, the traffic and incident management system (TIMS), the car journey time indication system (JTIS), speed map panels (SMPs), the red light camera (RLC) system and the speed enforcement camera (SEC) system to enhance the effectiveness of traffic management, efficient use of limited road space, timely dissemination of real-time traffic information and road safety enforcement.

14 In 2017, the Department continued to regulate and monitor public transport services. It worked with franchised bus operators to implement bus route rationalisation plans. It continued to design and implement traffic management measures to improve traffic and enhance road safety. The ATC, JTIS and SMPs systems and equipment were maintained with high serviceability ratios. The Department formulated proposals for the provision of local public transport services to tie in with the commissioning of the Hong Kong-Zhuhai-Macao Bridge.

15 The key performance measures in respect of district traffic and transport services are:

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
maintaining serviceability of ATC systems				
central computer system (%).....	99.5	99.9	99.9	99.9
on-street signal controllers (%).....	99.5	99.9	99.9	99.9

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
implementing route planning programme items for			
franchised buses.....	80	176δ	121
introducing new green minibus service routes.....	3	1	4
signalised road junctions (cumulative).....	1 893	1 898	1 928
junctions with RLC systems installed (cumulative).....	195	195	195
locations with SEC systems installed (cumulative).....	125	130	130
closed circuit television cameras (cumulative).....	705	713	900
average vehicular speed (km/hour) forφ			
Urban.....	21	21	21
New Territories.....	38	38	38
injury accidents involving motor vehicles per million			
vehicle-km.....	1.05	1.05ψ	1.05
locations with clusters of injury accidents investigated.....	100	100	100
area studies for enhancing road safety.....	2	2	2
road safety publicity projects initiated and participated.....	9	9	9
road safety enhancement measures planned (no. of locations).....	90	90	90
route modification and other improvement items including			
construction of shelters, provision/relocation of stops/stands, installation of display panels for real-time bus arrival information and provision of seats by			
franchised operators.....	1 455	1 885θ	3 470
non-franchised operators.....	1 409	1 397	1 334
schemes co-ordinated to improve access to public transport for persons with disabilities.....	3	3	3

- δ The number of bus service rationalisation packages processed in 2017 was higher than those in 2016 and 2018 as the majority of public transport re-organisation proposals arising from the commissioning of KTE and SIL(E) were implemented in 2017. In addition, there were new bus service proposals associated with major population intake of new residential developments in Sai Kung and Sha Tin Districts in 2017.
- φ The average vehicular speed is measured during the morning peak period from 08:00 to 09:30 from September to December along routes that are representative of the road network.
- ψ Provisional actual subject to adjustment.
- ⊖ The Government allocated a sum of \$88.27 million to provide subsidies to franchised bus companies for expediting the provision of seats and display panels for real-time arrival information at suitable bus stops with shelters. Installation works are carried out by phases commencing in November 2017.

Matters Requiring Special Attention in 2018–19

16 During 2018–19, the Department will:

- continue to closely monitor the traffic condition as well as provision of parking spaces in South Lantau and review the timetable for implementing the second phase of the “Driving on Lantau Island” Scheme;
- continue to develop plans, in conjunction with the Highways Department, to provide covers on certain public walkways connecting to major public transport interchanges or railway stations to provide a better walking environment for pedestrians;
- continue the installation of traffic detectors along some strategic routes to strengthen collection of real-time traffic information and incident detection capability;
- continue to rationalise and improve franchised bus services to improve service quality and efficiency, and to help relieve congestion and reduce road-side emissions;
- continue to operate and maintain the TIMS;
- continue to replace the ATC and closed circuit television systems for Tai Po and North Districts;
- continue to facilitate the smooth operation of cross-boundary traffic and transport services and facilities at land boundary control points;
- continue to monitor the traffic-related issues of pedestrian schemes and the impact of these schemes in the vicinity to improve the environment for pedestrians;
- continue to collaborate with the Highways Department to take forward the proposed elevated pedestrian corridor in Yuen Long Town connecting with Long Ping Station, and provide traffic and transport input for the detailed design of the proposed pedestrian footbridge system in Mong Kok;
- continue to collaborate with the Highways Department in taking forward the higher-ranking proposals for the hillside escalator links and elevator systems, including the provision of traffic and transport input for the investigation, design and construction of those higher-ranking proposals which are preliminarily found technically feasible;
- continue to provide traffic and transport input for the retrofitting of barrier-free access facilities at existing footbridges, elevated walkways and subways which fall within the programme ambit of the Universal Accessibility Programme;
- continue to examine and implement measures to enhance road safety through legislation, publicity and use of technology;
- continue to examine the proposal to raise the mandatory requirement of using child restraint device in private cars;
- continue to study the installation of smart devices at signalised pedestrian crossings to extend the pedestrian green time for the elderly and persons with disabilities;
- continue to monitor franchised bus operators’ provision of real-time bus arrival information and disburse government subsidies for the installation of display panels for such information;
- continue to disburse government subsidies to franchised bus operators for provision of seats at bus stops and termini;
- continue to upgrade the transport information system to improve the processing of traffic data for better dissemination of traffic and transport information to the public;
- disburse government subsidies to Hong Kong Tramways for the replacement of certain sections of existing tram tracks with the use of new rail jacket technology; and
- continue the planning and design for relocation of the Department’s operation centres to the West Kowloon Government Offices.

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Programme (4): Management of Transport Services

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	315.2	467.1	398.9 (–14.6%)	677.9 (+69.9%)
				(or +45.1% on 2017–18 Original)

Aim

17 The aims are to ensure the efficient management of transport infrastructure and services in respect of government and private tunnels, bridges, parking meters, government carparks, the Central to Mid-Levels Escalator System, the Austin Road Cross Boundary Coach Terminus, the Tsing Ma Control Area and the Tsing Sha Control Area and to ensure efficient handling of emergency traffic and transport incidents.

Brief Description

18 The work of the Department involves:

- handling the tendering of management contracts for the government transport infrastructure and services mentioned in paragraph 17;
- overseeing and monitoring the performance of the contractors that operate and maintain the above transport infrastructure and services;
- co-ordinating the maintenance and renovation of ferry piers;
- handling traffic and transport incidents in the territory and disseminating timely information on the traffic and transport situation to the public; and
- providing input on the legislative, management and operational aspects of planning of new strategic highways, bridges and tunnels to be constructed in the territory and across the boundary.

19 In 2017, the Department met the targets in respect of the management of transport infrastructure. It carried out the new parking meter trial scheme and commenced the preparatory work for procurement of the new generation of parking meters. It commenced the phased implementation of the electronic payment system at manual toll booths of government tolled roads and tunnels. It awarded the new management contracts for the Scenic Hill Tunnel and the Airport Tunnel, and government carparks. It began the tendering work for the management contracts of the Tate's Cairn Tunnel which would become a government tunnel on 11 July 2018 upon expiry of its Build-Operate-Transfer franchise, the Kai Tak Tunnel, the Lion Rock Tunnel, the Shing Mun Tunnels and the Tseung Kwan O Tunnel. For major transport infrastructure under construction such as the Central-Wan Chai Bypass Tunnel and the Lung Shan Tunnel and Cheung Shan Tunnel, the Department has started preparation for tendering out their management.

20 The key performance measures in respect of the management of transport services are:

Targets

	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
attending to traffic accidents and vehicle breakdown inside government tunnel areas within two minutes (% of all cases).....	97	99	99	99
carbon monoxide concentration inside government tunnels below 70 ppm at all times (% of all readings)	100	100	100	100
visibility inside government tunnels within the standard of Environmental Protection Department at all times (% of all readings)	100	100	100	100
attending to traffic accidents and vehicle breakdown on the Lantau Link within five minutes (% of all cases).....	97	98	99	99

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Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
defective parking meters repaired within 60 minutes upon report (% of cases)	99.9	99.9	99.9
incidents handled by Transport Incident Management Section.....	5 120	5 361	5 350
awarding management contract for government carparks (cumulative % completed)	80	100	—
awarding management contract for Cross-Harbour Tunnel (cumulative % completed)@.....	100	—	—
awarding management contract for the New Kowloon Bay Vehicle Examination Centre (cumulative % completed)@.....	100	—	—
awarding management contract for Eastern Harbour Crossing (cumulative % completed)	100	—	70μ
awarding management contract for the Scenic Hill Tunnel and the Airport Tunnel (cumulative % completed).....	50	99	100
awarding contracts for the electronic payment system at manual toll booths of government tolled roads and tunnels (cumulative % completed).....	90	100	—
awarding management contract for the Central-Wan Chai Bypass Tunnel (cumulative % completed)Λ	10	50	100
awarding management contract for the Lung Shan Tunnel and Cheung Shan Tunnel (cumulative % completed)θ.....	—	50	100
awarding management contract for the Kai Tak Tunnel and the Lion Rock Tunnel (cumulative % completed).....	—	70	100
awarding management contract for the Shing Mun Tunnels and the Tseung Kwan O Tunnel (cumulative % completed).....	—	70	100
awarding management contract for the Tate's Cairn Tunnel (cumulative % completed)	10	90	100
awarding management contract for the Parking Meter System (cumulative % completed)	—	30Φ	100
awarding management contract for Austin Road Cross Boundary Coach Terminus (cumulative % completed).....	—	30Φ	100
awarding management contract for the Tsing Sha Control Area (cumulative % completed)□	—	—	30
awarding management contract for the Tsing Ma Control Area (cumulative % completed)□	—	—	30
installing electronic payment facilities at the manual toll booths of eight government tolled roads and tunnels (cumulative % completed)□	—	50§	100§

@ Indicators to be removed as the management contracts were awarded in 2016.

μ The next cycle for contract renewal starts in 2018.

Λ Revised description of the previous indicator “awarding management contract for the Central-Wan Chai Bypass and Island Eastern Corridor Link” as from 2018.

θ Revised description of the previous indicator “awarding management contract for the connecting road of Liantang/Heung Yuen Wai Boundary Control Point” as from 2018.

Φ The current cycle for contract renewal started in 2017.

□ New indicators as from 2018.

§ The installation of electronic payment facilities at the manual toll booths of eight government tolled roads and tunnels has been commenced in phases since July 2017 and will be completed by mid-2018.

Matters Requiring Special Attention in 2018–19

21 During 2018–19, the Department will:

- prepare/conduct tendering exercises and/or award new management contracts for:
 - the Kai Tak Tunnel and the Lion Rock Tunnel,
 - the Shing Mun Tunnels and the Tseung Kwan O Tunnel,
 - the Central-Wan Chai Bypass Tunnel,
 - the Lung Shan Tunnel and the Cheung Shan Tunnel,
 - existing and new parking meter systems,

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- Austin Road Cross Boundary Coach Terminus,
- the Eastern Harbour Crossing,
- the Tsing Sha Control Area, and
- the Tsing Ma Control Area;
- complete various tasks relating to the takeover of the Tate’s Cairn Tunnel on 11 July 2018 upon expiry of its Build-Operate-Transfer franchise, including carrying out gearing-up activities with the new contractor after awarding the management contract for the tunnel, and pursuing legislative amendments to enable the operation and management of the Tate’s Cairn Tunnel as a government tunnel;
- complete the new parking meter trial scheme and carry out the procurement exercise of the new generation of parking meters with the aim of replacing the existing parking meters from 2019–20 onwards; and
- complete the phased implementation of “stop-and-go” electronic payment facilities at the manual toll booths of eight government tolled roads and tunnels by mid-2018.

Programme (5): Transport Services for Persons with Disabilities and Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	1,101.2	1,325.7	1,217.7 (–8.1%)	1,463.2 (+20.2%)
				(or +10.4% on 2017–18 Original)

Aim

22 The aims are to ensure the efficient management and operation of the rebus services to improve the mobility of persons with disabilities and to administer effectively the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (the Scheme) to encourage the elderly and eligible persons with disabilities to participate more in community activities.

Brief Description

23 The work of the Department involves:

- handling and monitoring the efficient utilisation of subvention for the Hong Kong Society for Rehabilitation for the operation of rebus services, and
- administering the Scheme including reimbursing the participating public transport operators for the revenue forgone.

24 In 2017, the Department arranged the purchase of eight additional rebuses to meet passenger demand, and continued to extend the Scheme to more green minibus routes.

25 The key performance measures are:

Indicators

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
vehicles for			
rebus scheduled routes	99	103 ^α	106^υ
rebus full-day dial-a-ride services	48	52 ^α	49^υ
rebus feeder services ^λ	—	—	12^υ
passenger trips for			
rebus scheduled routes	388 100	410 500	426 000
rebus dial-a-ride services.....	511 600	523 000	528 000
rebus feeder services ^λ	—	—	39 000
no. of persons waiting for scheduled route services (including carers).....	30	30	30
average daily passenger trips taken under the Scheme			
elderly.....	974 000 ^η	1 064 000 ^ε	1 149 000
eligible persons with disabilities	140 000	150 000 ^ε	163 000

^α Including the eight additional rebuses procured in 2017–18.

^υ Including the 12 additional rebuses to be procured in 2018–19.

^λ New indicator as from 2018 to better reflect the services provided by rebus.

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- η Adjusted from the provisional actual figure shown in the 2017–18 Estimates.
 ε Provisional actual subject to adjustment.

Matters Requiring Special Attention in 2018–19

26 During 2018–19, the Department will:

- replace 15 rehabuses and procure 12 additional rehabuses,
- oversee the Hong Kong Society for Rehabilitation’s replacement of the existing rebus operating system with a new integrated computerised system,
- continue to monitor the operation of the Scheme, and
- assist the Labour and Welfare Bureau in conducting the comprehensive review of the Scheme.

Programme (6): Public Transport Fare Subsidy Schemeβ

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	—	—	—	825.0

β A new programme introduced in 2018.

Aim

27 The aim is to implement and administer effectively the Public Transport Fare Subsidy Scheme (the Fare Subsidy Scheme) to relieve the fare burden of daily commuters travelling on local public transport services and whose public transport expenses are relatively high.

Brief Description

28 The work of the Department involves :

- administering the Fare Subsidy Scheme, including the provision of accurate amount of subsidy to individual commuters through their Octopus cards; and
- implementing monitoring measures, including the conduct of regular assurance exercise and field inspection on operators’ system of internal controls, transport survey and analytical review of operating information provided by operators, to minimise risks of abuse under the Fare Subsidy Scheme.

29 The key performance measure is:

Indicator

	2016 (Actual)	2017 (Actual)	2018 (Estimate)
Average no. of beneficiaries per month (in terms of Octopus card holders)Ω	—	—	2 240 000

Ω New indicator as from 2018. Beneficiaries refer to commuters who receive subsidy under the Fare Subsidy Scheme. The Fare Subsidy Scheme aims to relieve the fare burden of daily commuters travelling on local public transport services and whose public transport expenses are relatively high. Adopting it as the indicator could reflect the effectiveness of the Fare Subsidy Scheme.

Matters Requiring Special Attention in 2018–19

30 During 2018–19, the Department will:

- carry out preparatory work to facilitate early implementation of the Fare Subsidy Scheme, including the monitoring of the progress of system development and installation, the conduct of pre-implementation transport surveys and assurance exercise, as well as putting in place arrangements for participating public transport service providers;
- administer the Fare Subsidy Scheme following its implementation; and
- monitor the operation of the Fare Subsidy Scheme, including the conduct of regular transport surveys and vetting of operating reports of operators.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2016-17 (Actual) (\$m)	2017-18 (Original) (\$m)	2017-18 (Revised) (\$m)	2018-19 (Estimate) (\$m)
(1) Planning and Development	397.8	446.3	456.7	562.3
(2) Licensing of Vehicles and Drivers	377.9	379.9	390.4	432.8
(3) District Traffic and Transport Services	460.0	478.3	501.7	524.7
(4) Management of Transport Services	315.2	467.1	398.9	677.9
(5) Transport Services for Persons with Disabilities and Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities	1,101.2	1,325.7	1,217.7	1,463.2
(6) Public Transport Fare Subsidy Scheme	—	—	—	825.0
	2,652.1	3,097.3	2,965.4 (-4.3%)	4,485.9 (+51.3%)
				(or +44.8% on 2017-18 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2018-19 is \$105.6 million (23.1%) higher than the revised estimate for 2017-18. This is mainly due to the full-year effect of filling of vacancies in 2017-18, a net increase of 27 posts in 2018-19 and increase in non-recurrent expenditure, partly offset by decreased requirement in operating expenses and decrease in capital expenditure.

Programme (2)

Provision for 2018-19 is \$42.4 million (10.9%) higher than the revised estimate for 2017-18. This is mainly due to the full-year effect of filling of vacancies in 2017-18, a net increase of 41 posts in 2018-19 and increased requirement in operating expenses.

Programme (3)

Provision for 2018-19 is \$23.0 million (4.6%) higher than the revised estimate for 2017-18. This is mainly due to the full-year effect of filling of vacancies in 2017-18, a net increase of 25 posts in 2018-19 and increase in non-recurrent expenditure, partly offset by decreased requirement in operating expenses and decrease in capital expenditure.

Programme (4)

Provision for 2018-19 is \$279.0 million (69.9%) higher than the revised estimate for 2017-18. This is mainly due to a net increase of 12 posts in 2018-19, increased requirement in operating expenses and increase in capital expenditure.

Programme (5)

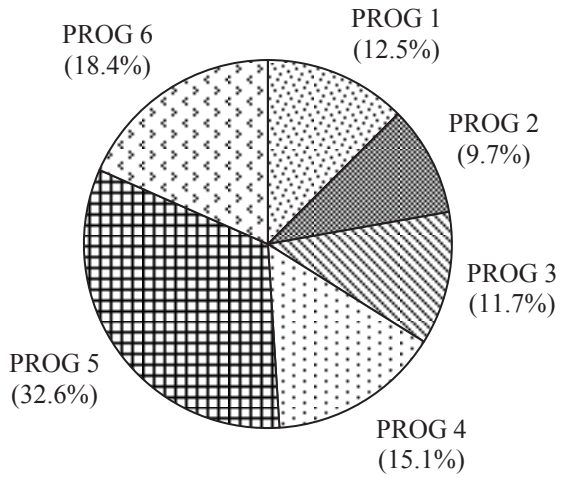
Provision for 2018-19 is \$245.5 million (20.2%) higher than the revised estimate for 2017-18. This is mainly due to the creation of two posts in 2018-19, additional provision for the Scheme, increased requirement in operating expenses, increase in non-recurrent expenditure, increase in expenditure on procurement and replacement of rehabuses and replacement of the existing rehabus operating system with a new integrated computerised system.

Programme (6)

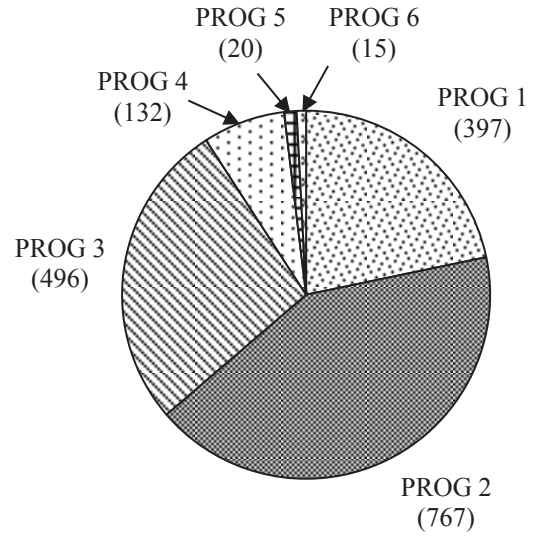
Provision for 2018-19 is \$825.0 million. The provision is mainly for creation of 15 posts in 2018-19, operating expenses and the payment of public transport fare subsidy in 2018-19.

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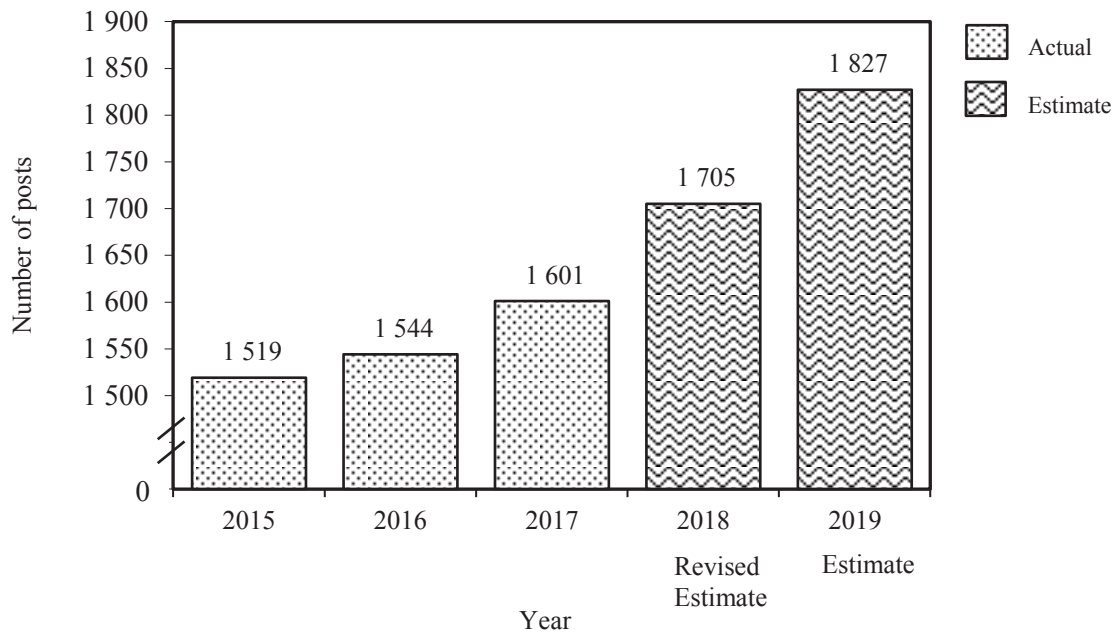
*Allocation of provision
to programmes
(2018-19)*



*Staff by programme
(as at 31 March 2019)*



*Changes in the size of the establishment
(as at 31 March)*



Head 186 — TRANSPORT DEPARTMENT

Sub-head (Code)	Actual expenditure 2016-17	Approved estimate 2017-18	Revised estimate 2017-18	Estimate 2018-19	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	1,530,591	1,687,208	1,636,281	1,995,778
166	Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities.....	991,029	1,197,917	1,096,556	1,308,628
256	Public Transport Fare Subsidy Scheme	—	—	—	775,000
	Total, Recurrent.....	<u>2,521,620</u>	<u>2,885,125</u>	<u>2,732,837</u>	<u>4,079,406</u>
Non-Recurrent					
700	General non-recurrent	67,000	82,067	91,091	182,910
	Total, Non-Recurrent.....	<u>67,000</u>	<u>82,067</u>	<u>91,091</u>	<u>182,910</u>
	Total, Operating Account	<u>2,588,620</u>	<u>2,967,192</u>	<u>2,823,928</u>	<u>4,262,316</u>
Capital Account					
Plant, Equipment and Works					
603	Plant, vehicles and equipment.....	15,519	27,047	40,328	60,734
661	Minor plant, vehicles and equipment (block vote).....	30,503	86,138	82,455	129,835
	Total, Plant, Equipment and Works.....	<u>46,022</u>	<u>113,185</u>	<u>122,783</u>	<u>190,569</u>
Subventions					
927	Hong Kong Society for Rehabilitation - rehabuses (block vote).....	17,506	16,969	18,666	33,030
	Total, Subventions	<u>17,506</u>	<u>16,969</u>	<u>18,666</u>	<u>33,030</u>
	Total, Capital Account.....	<u>63,528</u>	<u>130,154</u>	<u>141,449</u>	<u>223,599</u>
	Total Expenditure	<u><u>2,652,148</u></u>	<u><u>3,097,346</u></u>	<u><u>2,965,377</u></u>	<u><u>4,485,915</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2018–19 for the salaries and expenses of the Transport Department is \$4,485,915,000. This represents an increase of \$1,520,538,000 over the revised estimate for 2017–18 and \$1,833,767,000 over the actual expenditure in 2016–17.

Operating Account

Recurrent

2 Provision of \$1,995,778,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Transport Department. The increase of \$359,497,000 (22%) over the revised estimate for 2017–18 is mainly due to increased salary provision for a net increase of 122 posts in 2018–19, the full-year effect of filling of vacancies in 2017–18 and the additional provision for the increase in contract maintenance and other operating expenses.

3 The establishment as at 31 March 2018 will be 1 705 posts. It is expected that there will be a net increase of 122 posts in 2018–19. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2018–19, but the notional annual mid-point salary value of all such posts must not exceed \$895,461,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2016–17 (Actual) (\$'000)	2017–18 (Original) (\$'000)	2017–18 (Revised) (\$'000)	2018–19 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	797,065	865,972	844,042	940,724
- Allowances.....	21,788	21,984	26,047	26,047
- Job-related allowances.....	223	265	378	378
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	3,274	3,430	3,337	5,153
- Civil Service Provident Fund contribution.....	30,901	40,210	38,873	48,791
Departmental Expenses				
- Light and power.....	4,281	3,722	3,919	4,515
- Contract maintenance.....	222,045	316,501	213,660	433,480
- Workshop services.....	192,825	188,802	206,974	218,279
- General departmental expenses.....	188,292	170,158	221,513	236,353
Subventions				
- Special transport facilities for persons with disabilities.....	69,897	76,164	77,538	82,058
	1,530,591	1,687,208	1,636,281	1,995,778

5 Provision of \$1,308,628,000 under *Subhead 166 Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities* is for reimbursement of revenue forgone to the participating public transport operators under the Scheme. The increase of \$212,072,000 (19.3%) over the revised estimate for 2017–18 is due to additional provision for reimbursing the revenue forgone to the participating public transport operators.

6 Provision of \$775 million under *Subhead 256 Public Transport Fare Subsidy Scheme* is for the payment of public transport fare subsidy in 2018–19.

Capital Account

Plant, Equipment and Works

7 Provision of \$129,835,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$47,380,000 (57.5%) over the revised estimate for 2017–18. This is mainly due to the increased requirement for new and replacement equipment and systems.

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Subventions

8 Provision of \$33,030,000 under *Subhead 927 Hong Kong Society for Rehabilitation - rehabuses (block vote)* is for the procurement of rehabuses and the associated rehasub operating system run by the Hong Kong Society for Rehabilitation with essential accessories and modifications to facilitate the carriage of persons with disabilities, each costing above \$200,000 but not exceeding \$10 million. The increase of \$14,364,000 (77%) over the revised estimate for 2017–18 is mainly due to increased requirement for replacement and additional rehabuses, and replacement of the existing rehasub operating system with a new integrated computerised system.

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2017	Revised estimated expenditure for 2017–18	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	845	Setting up of a centralised settlement platform and related system enhancement for implementing the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities	17,197	15,038	1,000	1,159
	853	Relocation of Transport Department's operation centres to the West Kowloon Government Offices	56,049	130	1,011	54,908
	854	Replacement of the existing tram tracks with the use of new rail jacket technology	19,658	—	1,966	17,692
	855	Consultancy study on enhancing the walkability in Hong Kong	21,620	—	1,147	20,473
	861	Provision of Special Helping Measures for the Six Major Outlying Island Ferry Routes	412,140	—	41,215	370,925
	880	Enhancing the HKeTransport service to facilitate the use by the elderly	3,800	1,191	1,162	1,447
	881	Study on installation of smart devices at signalised pedestrian crossings for the elderly	4,000	881	2,150	969
	890	Upgrading public transport ancillary facilities to benefit passengers through provision of one-off subsidy to franchised bus operators for installing seats and display panels for provision of real-time bus arrival information at bus stops/termini	88,270	—	2,500	85,770
	897	Consultancy study on parking for commercial vehicles	9,900	—	440	9,460
	898	Consultancy study on the co-ordination of other public transport services with Shatin to Central Link	6,400	252	4,537	1,611
			639,034	17,492	57,128	564,414

Capital Account

603		<i>Plant, vehicles and equipment</i>				
	856	Replacement of high voltage and low voltage power supply system in the Tseung Kwan O Tunnel	70,560	—	1,000	69,560
	857	Replacement of manual toll collection system and installation of e-payment system in Tate's Cairn Tunnel	27,050	—	1,000	26,050

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Commitments—Cont'd.

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2017	Revised estimated expenditure for 2017–18	Balance
			\$'000	\$'000	\$'000	\$'000
Capital Account—Cont'd.						
603	<i>Plant, vehicles and equipment—Cont'd.</i>					
858	Replacement of automatic fire alarm system in Cheung Tsing Tunnel		26,334	—	500	25,834
859	Replacement of automatic fire alarm system in the Kai Tak Tunnel		22,680	—	500	22,180
860	Replacement of low voltage power supply system in the Kai Tak Tunnel		35,280	—	900	34,380
863	Replacement of fire service system at Tseung Kwan O Tunnelp		13,507p	—	—	13,507
864	Replacement of uninterruptible power supply (UPS) systems at various locations in Tsing Ma Control Areap		11,897p	—	—	11,897
865	Replacement of UPS systems at various locations in Lion Rock Tunnelp		11,930p	—	—	11,930
866	Replacement of closed circuit television system in the Cross-Harbour Tunnelp		10,810p	—	—	10,810
867	Replacement of high voltage power supply system in the Cheung Tsing Tunnel, Tsing Ma Control Areap		50,400p	—	—	50,400
870	Replacement of network for the central monitoring system in Tsing Sha Control Areap		44,000p	—	—	44,000
871	Replacement of high voltage power supply system in the Kai Tak Tunnelp		33,900p	—	—	33,900
872	Replacement of environmental monitoring system for Aberdeen Tunnelp		12,600p	—	—	12,600
873	Replacement of environmental monitoring system for Lion Rock Tunnelp		12,600p	—	—	12,600
882	Replacement of air-conditioning systems and equipment in the administration buildings in the Tsing Ma Control Areap		14,520p	—	—	14,520
883	Procurement of new generation of parking meter system and the associated equipmentp		304,000p	—	—	304,000
			<u>702,068</u>	<u>—</u>	<u>3,900</u>	<u>698,168</u>
	Total		<u>1,341,102</u>	<u>17,492</u>	<u>61,028</u>	<u>1,262,582</u>

p This is a new item, funding for which is sought in the context of the Appropriation Bill 2018.