

## LCQ5: Ferry services between Central and Tuen Mun and Tsuen Wan

Following is a question by the Hon Chan Han-pan and a reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (September 1):

Question:

Some residents of Tuen Mun and Tsuen Wan have pointed out that while the populations of the two districts are much higher than those of two decades ago and keep growing, the existing external transport services are unable to meet the demand. They hope that the two ferry routes plying between Central and Tuen Mun as well as between Central and Tsuen Wan, which were discontinued in 2000 due to financial unviability, can be re-commissioned. In this connection, will the Government inform this Council:

(1) whether, in order to attract applications from operators for operating the two aforesaid routes, the Government will, by following the current practice of supporting outlying island ferry service operators (including reimbursing annual vessel survey fees, pier expenses such as electricity tariffs and water charges, and the cost of purchasing vessels), introduce measures to support the operators of the two routes, so as to reduce their financial pressure; if so, of the details; if not, the reasons for that, and the new measures in place to provide more commuting choices to the residents of the Tuen Mun and Tsuen Wan districts as well as to reduce the pressure on road and railway traffic; and

(2) whether it knows how hydrogen produced from renewable energy, which is a type of green energy, compares with diesel (which is currently used by ferries) in terms of cost-effectiveness; if hydrogen is more cost effective, whether the Government will introduce hydrogen into Hong Kong so as to increase the financial viability of the two aforesaid routes; if so, of the details and timetable; if not, the reasons for that?

Reply:

President,

The Government adopts a public transport-oriented policy, which encourages the public to make good use of public transport for commuting. For ferry services, outlying island ferries serve as an indispensable external transportation for outlying islands while in-harbour ferries mainly perform a supplementary role as an alternative public transport service to rail and road-based harbour-crossing services.

Having consulted the Environment Bureau, I set out my reply to the question raised by Hon Chan Han-pan as follows.

The Government always welcomes interested parties to apply for operation of new ferry services and is delighted to discuss with the operators and advise on the service details of the proposed ferry routes. Applications will be processed in accordance with the established mechanism, taking into account all relevant factors such as the current transport policy, existing and planned public transport services, passenger demand, financial viability and supply of pier facilities.

As compared with railway and franchised bus, ferry has constraints in carrying capacity, frequency of sailings, service flexibility as well as location of piers or landing facilities. Operations are more susceptible to factors such as weather, sea conditions and so on. The Transport Department understands that, at present, no operator plans to operate any ferry routes plying between Central and Tuen Mun or Tsuen Wan.

Outlying island ferries provide essential external transportation for the outlying islands, where there is basically no alternative to the ferry services available as a means of public transport, or the alternative land transport route, if any, is very circuitous. To take care of the commuting need of outlying island residents, the Government provides the Special Helping Measures (SHM) to the outlying island ferry routes through reimbursing ferry operators on an accountable basis their operational expenses, including the annual vessel survey fee and vessel repair and maintenance fee, with a view to maintaining the financial viability and service quality of the ferry routes and reducing the need for hefty fare increases by the ferry operators due to rise in operating costs.

Although the SHM do not cover the in-harbour ferry services which play a supplementary role as an alternative public transport service, the Government has taken up the maintenance work of piers where applicable, reimbursed pier rentals and exempted vessel licence fees, etc. to alleviate the operating costs of these routes. Moreover, the ferry operators are allowed to sub-let premises at piers for commercial and retail activities to generate non-farebox revenues for cross-subsidising the operating expenses, thereby alleviating the pressure for fare increases.

Currently, there are various kinds of public transport services such as railways and franchised buses directly connecting both Tuen Mun and Tsuen Wan districts to the urban areas, providing residents with convenient and diversified transport services. On railway services, the full commissioning of Tuen Ma Line on June 27 this year, which has enhanced the railway network and connected the east and west of the New Territories, has provided more interchange choices for passengers. On franchised buses, 49 and 29 franchised bus routes are now running to various districts on Hong Kong Island and Kowloon from Tuen Mun and Tsuen Wan respectively, of which the service of 16 routes were introduced or enhanced over the past two years. There are also bus-only lanes and bus-bus interchanges on Tuen Mun Road to facilitate the operation of franchised buses and interchanges between routes.

The Government has been monitoring the traffic demand around the

Northwest New Territories, and actively enhancing the infrastructure and transport facilities in order to provide better transport services to the public. To cope with long-term traffic demand, the Government is actively taking forward a number of transport infrastructure projects, including Route 11 (between Yuen Long and North Lantau), Tsing Yi – Lantau Link, Tuen Mun Bypass, the widening of Yuen Long Highway (between Lam Tei and Tong Yan San Tsuen) and the key transport corridors on the artificial islands in the Central Waters, in order to further improve the connection between Northwest New Territories and the urban areas.

The Government has been encouraging the transportation industry to test and use new energy transportation technologies to improve air quality and provide the public with more environmentally friendly and comfortable public transportation options. In terms of ferries, the Government is preparing to launch a pilot scheme to test the operation of electric ferries in in-harbour ferry routes, and is subsidising outlying island ferry operators to procure hybrid ferries for trial through the Vessel Subsidy Scheme.

At present, hydrogen-powered vessels are not widely used. The hydrogen supplied in the market is mainly produced from fossil fuels. The cost of producing hydrogen from green energy sources is relatively high while the production capacity is still small. The cost of transportation and storage of hydrogen is relatively high as compared to that of diesel fuel. The Government will keep in view the development of other new energy transport, including hydrogen-powered vessels.