

STH's speech at Gala Dinner 2010 of the CILTHK (English only)

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Following is the speech by the Secretary for Transport and Housing, Ms Eva Cheng, at Gala Dinner 2010 of the Chartered Institute of Logistics and Transport in Hong Kong (CILTHK) held today (June 25):

Professor Wong (Sze-chun) [President of CILTHK], distinguished guests, ladies and gentlemen,

Good evening. I am delighted to join you at the Gala Dinner to celebrate the 42nd Anniversary of CILTHK. It is a pleasure to see many familiar faces and my warmest welcome to those who come from the CILT family overseas.

Tonight's theme is the "Swinging Sixties". I don't know about you but I must clarify at the outset that I was a mere toddler at the time and impression was kind of hazy. I have done a little research and comparison as it is worth reminding ourselves how much more complex life has become since then but how much, on the other hand, we have achieved.

\*In terms of nominal GDP per capita, we saw a growth of about 100 times since early sixties - from two thousand and three hundred dollars to two hundred and thirty three thousand dollars last year.

\*In terms of annual number of cross-boundary rail passengers, we saw a growth of about 120 times since early sixties – from 0.95 million passengers to 115 million passengers last year.

\*In terms of annual number of air passengers, we also saw a growth of about 120 times since early sixties – from 0.38 million passengers to 46 million passengers last year.

I have also taken a look at a Hong Kong Annual Report in the sixties and found the following description of Hong Kong's transport scene – "Nowhere is the bustle and vitality of Hong Kong reflected better than in the colourful and varied means of transport employed by its citizens in their daily round. From sampans to cable cars, minibuses to diesel locomotives, all are integrated into a frenetic but surprisingly effective network throughout the Colony. With tram and ferry fares starting at 10 cents, it is also one of the world's cheapest." Over the years, our transport system has responded to the changing and growing transport needs. Gone are the sampans as a

means of transport and CK Chow of MTRC would not contemplate fares starting at 10 cents, but we are as vibrant and effective as the 60s. In 2008, Forbes Magazine ranked Hong Kong's commute the best among 84 worldwide cities because our transport system is reliable, efficient and still very reasonably priced.

#### Post-financial crisis era

Snapshots of the 60s and today do give us a lot of food for thought. I visited the Shanghai Expo last week on the occasion of a Green Transport Symposium co-organised with the CILTHK and over 10,000 visitors a day come to the Hong Kong pavilion to learn about our city through the theme of connectivity. I cannot help but once again marvel at the development of Hong Kong over the years because connectivity through the "hardware" – our airport, port, internal transport systems, has positively interplayed with the "soft" connectivity – our efficiency, strife for excellence, professionalism, dynamism, to make Hong Kong what we are today.

Each era has its own share of issues and problems. Post financial "tsunami", there are now positive signs, e.g., we see in the first quarter of 2010, the Hong Kong International Airport handled about 300,000 tonnes per month of air cargo whilst container throughput registered a 17% year-on-year jump. However, the global economic situation is obviously yet to return to normalcy. There are still disturbing signals from the US and European markets. As global economic cycles shorten and volatility increases, it is all the more important that we maintain a steady pace in our work that continues to promote the connectivity of Hong Kong. A number of recent developments are worth noting –

\*The HKSAR Government is pressing ahead with the Hong Kong-Zhuhai-Macao Bridge to expand our catchment area and to cater for future needs. With much hard work and sterling support from industry associations including CILTHK, we reached a number of major milestones for the Bridge in 2009. The construction of the main bridge has already commenced. We are now proceeding with preparatory work for the construction of the Hong Kong boundary crossing facilities, which would also be a strategic multi-modal transportation hub in addition to being the clearance centre for goods and passengers.

\*The third cargo terminal operator has resumed construction of the terminal, which should be completed by early 2013, enabling HKIA to handle some 50% more cargo over its existing capacity of some 4 million tonnes per annum.

\*The Airport Authority will carry out a midfield expansion project to provide additional aircraft stands and apron facilities between the two existing runways. It is also undertaking the Airport Master Plan 2030 Study to review airport facilities, including consideration of whether to build a third runway, for long-term needs. There would be a public engagement exercise upon the completion of the study and I am sure that CILTHK would again play an important part in it.

\*On the port side, we are conducting a preliminary feasibility study on developing the 10th container terminal in Southwest Tsing Yi so that we would have sufficient berthing facilities for the projected cargo throughput. Separately, we will undertake a project to dredge the Kwai Tsing container basin and its approach channels, to enable the Kwai Tsing Port to meet the draught requirement of the new generation of mega container vessels.

\*And, to help the market build up its capacity and to promote the migration to providing high value-added logistics service, in the third quarter this year, the Government will release a site in Tsing Yi for the development of logistics facilities, which will form part of the logistics cluster for professional third party logistics and regional distribution services as announced by the Chief Executive in his Policy Address last year.

#### Closing remarks

So much on Government's projects and efforts in the pipeline. More importantly, the perseverance and flexibility of our logistics and transport industries have once again tided Hong Kong over a difficult period. The tenacity, reliability, efficiency and ability to respond to change of our service providers are always Hong Kong's strengths to stay ahead amidst fierce competition and a fast-changing environment. The Government is fully committed to work closely with CILTHK and other industry associations in reinforcing Hong Kong's role as the preferred international and regional transportation hub and supply chain base.

On this note, I wish all of you continued success and a most enjoyable evening.  
Thank you.

Ends/Friday, June 25, 2010