

Transcript of remarks by STH

Following is the transcript of remarks by the Secretary for Transport and Housing, Mr Frank Chan Fan, at a media session after attending the meeting of the Legislative Council Panel on Housing today (December 2):

Reporter: Secretary, if the airline's licence is really suspended, would it be immediate from Saturday or will they have a few more months before they would be grounded? I am concerned about the possible impacts on passengers who have bought the tickets, and would the Government offer any help if they really can't get the refund back or reschedule the flights?

Secretary for Transport and Housing: I would suggest that it would be rather speculative because what ATLA (Air Transport Licensing Authority) is trying to do is requiring the Hong Kong Airlines to provide cash injection into their account and to increase, enhance and maintain the cash level for daily operation. So as long as the Hong Kong Airlines could satisfy these requirements, then they would be able to continue to operate.

Reporter: How would the Government actually urge the airline to handle staff and passengers' problems in case the suspension really happens?

Secretary for Transport and Housing: As part and parcel of the requirements of ATLA, the Hong Kong Airlines has to satisfy the two additional conditions imposed by ATLA, and therefore they have to arrange cash injection or capital injection into their account, and to increase and maintain their daily cash balance to ensure a healthy daily operation. That is the basic requirement they have to satisfy. Once they manage to satisfy these requirements, then they would be able to run as any other company in the airline industry.

(Please also refer to the Chinese portion of the transcript.)