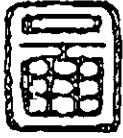


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The Hong Kong Institute of Architects 50th Anniversary established since 1956  
 香港建築師學會五十周年紀念 - 一九五六年創立

13 December 2006

Your Ref. : CB1/BC/3/05  
 Our Ref. : P&L/RMB/MC/cw/1206

Hon Miriam Lau Kin-ye, GBS, JP  
 Chairman  
 Bills Committee  
 Legislative Council  
 c/o Legislative Council Secretariat  
 3/F Citibank Tower  
 3 Garden Road  
 Hong Kong

By Fax and By Post  
 Fax No. : 2121 0420

Dear Ms Lau

### Invitation for Views on Rail Merger Bill

Thank you for your letter dated 6 September 2006 inviting the Institute to present views on Rail Merger Bill at the meeting of Bills Committee on 28 October 2006.

The Institute is pleased to deliver our written views as follows :

- The current mode of disposal of land parcels along railway lines to railway companies for financing the railway construction is ineffective in controlling the development densities along the railway lines, resulting in linear high density developments at various stations.
- As an alternative to the current mode of land disposal, the government would consider financing railway construction by direct injection of funds to railway companies. The land along the railway lines would be disposed by conventional mode of government auctions, with the income generated from auctions be channeled for financing railway development. The development density of the land parcels would be determined by the Town Planning Board prior to land auction.
- The business model of the new railway company after merging would need to be considered. Will the new company operate purely as a railway service provider or as an enterprise of railway operation, property development and property management like the MTRC ?

Yours sincerely

Michael Chiang  
 Chairman  
 Planning and Lands Committee  
*To Build a Better Hong Kong  
 Promote Architectural Excellence*  
 弘揚建築之卓越 建設更好的香港

c.c. Prof Bernard Lim, President  
 Dr Wong Wah Sang, Chairman, Board of Local Affairs

