

立法會

Legislative Council

LC Paper No. CB(1)1788/05-06

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Report of the Panel on Transport for submission to the Legislative Council

Purpose

This report gives an account of the work of the Panel on Transport (the Panel) during the 2005-2006 legislative session. It will be tabled at the meeting of the Legislative Council (LegCo) on 12 July 2006 in accordance with Rule 77(14) of the Rules of Procedure of LegCo.

The Panel

2. The Panel was formed by a resolution passed by LegCo on 8 July 1998 and as amended on 20 December 2000 for the purpose of monitoring and examining Government policies and issues of public concern relating to transport matters. The terms of reference of the Panel are at **Appendix I**.

3. The Panel comprises 17 members, with Hon LAU Kong-wah and Hon Andrew CHENG Kar-foo elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is at **Appendix II**.

Major Work

4. In the 2005-06 legislative session, the Panel was consulted on a number of major transport issues, including the proposed merger of the Mass Transit Railway (MTR) and Kowloon-Canton Railway (KCR) Systems. Members offered views to the Administration in formulating and fine-tuning transport policies and strategies that met public needs. A wide range of transport issues, which covered new rail and cross-boundary projects, initiatives to improve the efficiency and quality of public transport services, road and railway safety-related issues, major traffic management proposals, were discussed. The Panel also examined the proposed fare reduction packages of franchised bus companies and railway corporations.

5. To monitor the planning, implementation and operation of railway systems, the Panel had formed a subcommittee to oversee the development, implementation and operation of railway projects in Hong Kong (the Subcommittee). The Subcommittee continued its work during the 2005-2006 legislative session. A detailed report summarizing the work of the Subcommittee in 2005-06 legislative session is in **Appendix III**.

Transport planning and major infrastructure projects

6. Transport and infrastructure planning was an important component of the blueprint for Hong Kong's long-term development. In view that the Pearl River Delta (PRD) had undergone a rapid development and had much potential for further expansion, the Panel considered the provision of well-planned infrastructure and efficient transport facilities vital for the integration of the regional economy and convenient movement of passengers and freight across the boundary. During the session, the Panel had reviewed a number of key infrastructure projects and paid a duty visit to the Mainland to observe the latest development of cross-boundary infrastructure.

Visit to the Mainland

7. On 5 and 6 December 2005, the Panel undertook a duty visit to PRD to acquire first-hand information on the transport development in Guangdong as well as the progress of various cross-boundary infrastructural projects, including the Hong Kong-Shenzhen Western Corridor and the Hong Kong-Zhuhai-Macao Bridge. During the two-day visit, the delegation had exchanged views with the relevant committees of Guangdong Provincial People's Congress on a wide range of transport issues. Officials from the Guangdong Provincial Transportation Department, and the Guangdong Provincial Development and Reform Committee also briefed the delegation on the development of highways, waterways, railways and airports in the province and the development plans for transport facilities throughout Guangdong.

Northern Link

8. The Panel welcomed the Administration's decision to proceed with further planning of the Northern Link (NOL). The NOL was the missing part of the railway loop serving the Kowloon Peninsula and the New Territories (NT). When completed, rail passengers could interchange with ease between the West Rail and the East Rail (ER) in the northern part of NT. Members called on the Administration to speed up the related work to benefit the traveling public.

Guangzhou-Shenzhen-Hong Kong Express Rail Link

9. When consulted on the Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (ERL), members took the view that as ERL would form part of the national high-speed rail network which operated at a maximum speed of 250 – 350 km per hour, and had the prospect of linking up with the Rapid Transit System of PRD area, the Administration should consider pursuing the Hong Kong section of ERL under the Dedicated Corridor Option which involved the building of a dedicated rail track in the form of a tunnel running from its West Kowloon Terminus to the boundary. The design of the dedicated tunnel should also be upgraded to allow use by trains of a maximum speed of 200 km per hour to match that of the Mainland section between Longhua and the boundary. Members asked the Administration to review the design of ERL, taking into account its economic benefits, transport benefits and financial implications.

Road safety

10. Road Safety was an extremely important issue that affected everyone. During the session, the Panel reviewed the effectiveness of the road safety legislation implemented in the past few years, particularly the ones relating to drink driving and use of mobile phone while driving. The Panel also reviewed measures to enhance safety of public light bus (PLB) and taxi operations.

11. To foster a considerate and responsible driving culture, the Panel urged the Administration to adopt a multi-pronged approach, including strengthened enforcement, driver training, and sustainable publicity programme to improve driving behaviour. The Administration should also explore the feasibility of requiring drivers who had committed serious traffic offences to attend Driving Improvement Course under the Driver Improvement Scheme on a mandatory basis, keep road safety legislation and related penalties under constant review, and explore the possibility of empowering the Police to conduct random roadside screening breath tests on motorists.

12. The increase in the number of accidents involving PLB had aroused wide public concern. The Panel considered that apart from roadside enforcement, the Administration should explore with the PLB trade the feasibility of fitting vehicle blackbox (i.e. tachograph), speed display, speed limiters and seat belts on all PLBs to enhance safety of PLB operations. There was also a need to expand the coverage of Speed Enforcement Camera system to new strategic road network routes to deter speeding and enhance road safety, and prohibit drivers who had repeatedly committed traffic offences from driving PLBs. Refresher training courses for PLB drivers should be arranged to improve their driving behaviour.

13. In the light of a serious traffic accident involving taxi, the Panel had also

examined measures to enhance safety of taxi operations, including the possibility of installing air bags for taxis.

Railway safety

14. Railway safety had always been the primary concern of members. Upon learning of the failure of two support brackets for underframe equipment of an ER mid-life refurbished train and the subsequent discovery of hairline cracks in the underframe equipment mounting brackets of the same type of train cars, members closely followed with the Administration and Kowloon-Canton Railway Corporation (KCRC) the root causes of the problems, the adequacy of the remedial actions taken by KCRC, the notification mechanism for railway incidents, etc.

Operating environment of the transport industry

15. With the gradual expansion of railway network, there were increasing concerns about the inter-modal coordination of public transport services. During the session, the Panel had reviewed the operating environment of the transport industry and had met with the transport trades to discuss the related issues.

Impact of changes in oil prices on public transport services

16. In reviewing the impact of the persistently high oil price on public transport services, the Panel urged the Government to adopt effective measures to assist the transport industry in opening up new sources of income and cutting expenditure, and to actively consider reducing and remitting the duty on ultra low sulphur diesel for one year until the end of 2006, by which time the situation should be reviewed, so as to alleviate the hardship of the transport industry, relieve public transport operators' pressure to increase fare, and strengthen the position of Hong Kong's logistics industry.

Operation of dedicated liquefied petroleum gas filling stations

17. The queuing of liquefied petroleum gas (LPG) vehicles at dedicated LPG filling stations and the high retail price of auto LPG were of prime concern to the Panel and the transport trades. During the session, the Panel had reviewed with the parties concerned the pricing mechanism and operation at dedicated stations.

18. The Panel noted that LPG pump price at dedicated stations was capped by a Pricing Formula and could not be changed until the date for the next half-yearly ceiling price adjustment whereas LPG pump prices at non-dedicated stations could be promptly adjusted upwards in response to changes in international LPG price. Consequently, there was a significant price

differential between dedicated and non-dedicated stations, resulting in huge increase in demand at dedicated stations and thus queuing of vehicles.

19. On 1 February 2006, the Government introduced a new pricing adjustment mechanism at dedicated stations, under which the adjustment frequency of LPG ceiling price at dedicated stations was changed from once every six months to once a month to reflect more timely the movement of LPG international prices with a view to resolving the queuing problem and the associated traffic and noise problems caused to residents in the vicinity of dedicated stations. The Panel noted that there were dissenting views among the transport trades on the new pricing adjustment mechanism. The Panel urged the Administration to meet regularly with the operators of dedicated stations and the taxi and light bus trades to gather feedbacks on the operation of dedicated stations. The Administration was also urged to continue to closely monitor the operation of dedicated stations and announce LPG international price and LPG ceiling price of each dedicated station on a monthly basis so that the trades could monitor the price adjustment of LPG at dedicated stations.

Permitted operating areas for New Territories taxis

20. The Panel noted with grave concern about the row between the urban, Lantau and NT taxi trades over the permitted operating areas for NT taxis. The Panel held a meeting to receive views from the taxi trades. The Panel considered that taxi service was very important as it affected the public's quality of life. Members called on all concerned parties to adopt a conciliating attitude to address the problems faced by the taxi trades. The Panel also requested the Administration to improve the operating environment of taxis and assess the impact of railway development on road-based public transport services.

Illegal van-type light goods vehicle operations

21. Following the complaint of the taxi trade about the illegal operation of van-type light goods vehicles (LGVs) at the Hong Kong International Airport, the Panel had met with representatives of the taxi trade and the LGV trade to discuss the related issues. To combat and control illegal transport services at the airport, the Panel called on the Administration and the Airport Authority to step up enforcement and to examine the proposal for restricting van-type LGVs' activities within the airport's goods loading and unloading area only. The Panel also asked the Administration to carry out a comprehensive review and report back to the Panel at the beginning of the next legislative session.

Public transport fares

Concessionary public transport fares for persons with disabilities

22. The Panel followed closely the proposed granting of half-fare concession to persons with disabilities (PwDs) and had met with representatives of the Disability Alliance on Concessionary Transport Fare and public transport operators to discuss the matter. The Panel was gravely concerned that little progress had been made so far despite repeated calls from LegCo and the disabled sector for providing concessionary fares to PwDs to relieve their difficulties and facilitate their integration into the community. Members subsequently agreed to form a subcommittee under the House Committee to follow up on the related issues.

Bus fares

23. In November 2005, the Administration briefed the Panel on the proposed modifications to the existing Modified Basket of Factors (MBOF) approach for considering bus fare adjustments. The Panel noted that the main objectives of the proposed modifications to the MBOF approach were to facilitate bus fares to go upward and downward to provide greater responsiveness to the prevailing economic conditions, and to improve objectivity of fare adjustment process while maintaining the flexibility to consider the factors embodied in the MBOF approach. The Panel was generally in support of the expeditious implementation of the fare adjustment mechanism.

24. The Panel noted that in the context of the franchise negotiation, bus companies had agreed to provide a number of fare reduction initiatives upon implementation of the proposed changes to the MBOF approach. In reviewing the fare reduction package, the Panel called on the Administration to discuss with various franchised bus companies to cancel the proposed arrangements for advance payment of the return journey fares, and increase the extent of the proposed fare reduction so as to benefit more passengers. The Administration should also take the opportunity to request bus companies to provide concessionary fares to the elderly and PwDs.

Ferry fares

25. Given that ferry was the only means of transport for residents on outlying islands, the Panel was very concerned about the fare increase of ferry service. The Panel urged the Administration to explore ways to improve the financial viability of ferry operators. Some flexibility should be exercised by the concerned government departments when considering applications from ferry operators for carrying out commercial activities at piers leased to them by the Government so as to relieve operators' pressure to increase fare.

Merger of MTR and Kowloon-Canton Railway Systems

26. On 11 April 2006, the Government entered into a non-binding

Memorandum of Understanding with the MTR Corporation Limited (MTRCL) on the structure and the terms for the proposed merger of the MTR and KCR systems. The Panel held a joint meeting with the Panel on Financial Affairs to receive a briefing by the Administration on the merger deal. Thereafter the two Panels held further meetings to discuss the proposed financial terms and structure of the merger deal as well as the fare reduction package and fare adjustment mechanism for the post-merger corporation. The Panel also received views from the Alliance of Five Unions in Two Rails and the Staff Consultative Council of MTRCL on the staff-related issues arising from the rail merger, and discussed with the Administration the broad legislative proposals for implementing the proposed rail merger.

27. In discussing the proposed merger deal, the primary concern of members was whether the package proposal put forward by the Administration was a fair and balanced deal which could bring overall benefits to the community whilst balancing the interests of all stakeholders, namely, the people of Hong Kong who owned the assets of KCRC, the passengers of the railways, the staff of the two corporations and the shareholders of MTRCL. Members called on the Administration to review the fare reduction package and the fare adjustment formula to be adopted by the post-merger corporation so as to bring more benefits to passengers. They also requested the Administration and the two railway corporations to look after the interest of all staff and maintain regular communication with staff unions.

28. Given the rift between the KCRC Chairman and the Acting Chief Executive Officer over the management and corporate governance of KCRC, members considered it necessary to discuss the related corporate issues in the context of the merger deal. A special meeting was held to discuss the corporate issues. In view of wide public concern about the perceived lack of transparency and impartiality in the remuneration policy governing the top management of KCRC, the Panel also reviewed the issues related to KCRC top management's variable pay at the meeting. As the Administration would shortly put forward a legislative proposal for implementing the merger deal, the corporate issues would be separately followed up by Members.

Traffic management

Measures to rationalize utilization of Build-Operate-Transfer (BOT) tunnels

29. The distribution of traffic among the three road-harbour crossings, and the utilization of Route 3 and the alternative non-tolled routes were high on the agenda of the Panel. In order to facilitate the Panel to consider the way forward for improving the existing system to address the traffic problem, the Panel requested the Research and Library Services Division to conduct a research on the operation of toll roads, bridges and tunnels in selected places. The Panel took the view that tunnel tolls should be set at affordable levels

which enabled the franchisees of BOT tunnels to earn a reasonable rate of return whilst allowing the maximum use of existing tunnel resources to improve traffic circulation. As uneven distribution of traffic among different BOT tunnels had huge economic implications for the community, the Panel considered that there was urgency in finding solutions which would best protect the interests of the public and be acceptable to both the Government and the franchisees. The Panel would continue to monitor the development of the negotiation between the Government and the franchisees.

Replacement of toll field equipment

30. In examining the funding proposal for the replacement of toll field equipment at Tseung Kwan O Tunnel, Shing Mun Tunnels and Lion Rock Tunnel, members called on the Administration to review the number and location of autotoll lanes at different tunnels so as to cater for the increasing demand for autotoll service. Consideration should also be given to installing Octopus card reader for the purpose of toll collection.

Expansion of the Journey Time Indication System

31. The Panel had expressed reservation on the proposal to expand the Journey Time Indication System (JTIS) to Kowloon which aimed at informing motorists of the estimated journey time for travelling from Kowloon to Hong Kong via the three road-harbour crossings. The Panel queried the cost-effectiveness and usefulness of the existing JTIS on Hong Kong Island as it could not help alleviate the traffic congestion problem. Many of the existing journey time indicators were situated too close to the strategic approach roads to the road-harbour crossings. As a result, by the time drivers reached the time indicators they could no longer change routes even if they wished to. The Panel therefore called on the Administration to review the need and justifications for expanding the use of JTIS to Kowloon.

Traffic arrangements for the Sixth Ministerial Conference of the World Trade Organization

32. In reviewing the special traffic and transport arrangements for the Sixth Ministerial Conference of the World Trade Organization held in December 2005, the Panel reminded the Administration to make every effort to ensure effective coordination of traffic management measures, respond to unanticipated incidents, and disseminate information through the mass media and other suitable means.

Private Driving Instructor's Licences

33. The grouping of Private Driving Instructors' (PDI) licences and the mechanism for issuing new PDI licences were kept under review by the Panel. To facilitate consideration, the Panel had received views from the relevant

trade associations. The Panel noted the complaints from Group 2 (i.e. bus and light bus) and Group 3 (medium goods vehicle, heavy goods vehicle and articulated vehicle) PDIs about the restriction imposed on them from providing instruction to learner drivers of Group 1 vehicles (i.e. private car and light goods vehicle). However, there were also concerns about the excessive supply of PDIs in the face of the shrinking demand for driving instruction. Some ex-driving instructors of bus companies and the Hong Kong School of Motoring also requested that new PDI licences be issued to them to enable them to continue to work as driving instructors to make a living.

34. The Panel noted that in accordance with the Road Traffic (Driving Licences) Regulations (Cap. 374B), the Commissioner for Transport would conduct a review on the number of PDI licences biennially to determine if there was a need to issue new PDI licences for different groups of PDIs, having regard to prevailing traffic conditions, policy adopted for driver training for the time being and the demand for learner drivers to receive driving instruction from PDIs in respect of that group of motor vehicles. The Panel considered that there was a need to maintain a balance between supply and demand to sustain sufficient competition to ensure the quality of driver training. The Panel called on the Administration to take heed of the views expressed by trade associations and come up with a proposal in the context of the next biennial review for further consideration by the Panel.

35. During the period from October 2005 to May 2006, the Panel held a total of 16 meetings, of which three were joint meetings with the Panel on Financial Affairs Panel. The Panel conducted a duty visit to the Mainland. It also paid a visit to review the latest development of the Hong Kong section of the Hong Kong-Shenzhen Western Corridor.

Panel on Transport

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to transport matters.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy area prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

**Legislative Council
Panel on Transport**

Membership list for 2005 - 2006 session

Chairman	Hon LAU Kong-wah, JP
Deputy Chairman	Hon Andrew CHENG Kar-foo
Members	Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP Hon LAU Chin-shek, JP Hon Miriam LAU Kin-ye, GBS, JP Hon TAM Yiu-chung, GBS, JP Hon Abraham SHEK Lai-him, JP Hon LI Fung-ying, BBS, JP Hon Tommy CHEUNG Yu-yan, JP Hon Albert CHAN Wai-yip Hon WONG Kwok-hing, MH Hon LEE Wing-tat Hon Jeffrey LAM Kin-fung, SBS, JP Hon LEUNG Kwok-hung Hon CHEUNG Hok-ming, SBS, JP Hon Albert Jinghan CHENG
	(Total: 17 members)
Clerk	Mr Andy LAU
Legal Adviser	Ms Connie FUNG
Date	3 July 2006

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Legislative Council

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**Report of the
Subcommittee on Matters Relating to Railways
for submission to the Panel on Transport**

Purpose

This report gives an account of the work of the Subcommittee on Matters Relating to Railways during the 2005-2006 legislative session.

The Subcommittee

2. The Transport Panel decided at its meeting on 13 October 2005 that the subcommittee formed to oversee the development, implementation and operation of railway projects in Hong Kong should continue its work during the 2005-2006 legislative session.

3. The Subcommittee comprises 12 members, with Hon Miriam LAU Kin-yea elected as Chairman. The membership list of the Subcommittee is at **Annex I**.

Major work

East Rail underframe equipment mounting problem

4. Railway safety had always been the primary concern of the Subcommittee. Upon learning of the failure of two support brackets for underframe equipment of an East Rail (ER) mid-life refurbished train and the subsequent discovery of hairline cracks in the underframe equipment mounting brackets of the same type of train cars (the ER incident), the Subcommittee immediately paid a visit to the Kowloon-Canton Railway Corporation's (KCRC) Ho Tung Lau Depot on 17 January 2006 to ascertain the size of the problem and understand KCRC's immediate rectification measures. The Subcommittee paid another visit to the Depot on 20 January 2006 to show

members' support to front-line staff who had been working round the clock to maintain and inspect the fleet of ER. Members appreciated that KCRC staff had been working very hard to maintain a reliable service on ER and to ensure safe train operation.

5. During the period from January to May 2006, the Subcommittee held three meetings with the Administration and KCRC to discuss the underframe equipment mounting problem of ER. The Subcommittee considered that the prevention of future crack problem depended on the identification of root causes and the formulation of effective improvement measures to resolve the problem. As such, it was of crucial importance that KCRC and the Administration accorded priority to the related work.

6. On 6 May 2006, KCRC briefed the Subcommittee on the root causes of the underframe equipment mounting problem of ER and the proposed long term improvement measures to resolve the problem. According to KCRC, there were two main factors, the combination of which contributed to the occurrence of the cracks. Firstly, the investigation found that the force of vertical vibrations was excessive when a train was traveling at a speed of 70 – 90 km per hour over some section of the track. The excessive vertical vibrations were due to the resonance oscillations of the car body resulting from the train wheel interacting with the minute undulations on the surface of rail track. As a result the stress levels encountered by the support brackets exceeded the original design limits by 100%. The second factor was attributed to imperfections in the welding of some of the underframe mounting brackets.

7. In discussing the root causes of the problem with KCRC and the Administration, the Subcommittee reviewed the testing procedures for acceptance of railway tracks, and the reasons for the failure of KCRC to identify the minute undulations on the surface of rail tracks during the acceptance stage. Apart from reviewing the effectiveness of the interim rectification measures implemented by KCRC, the Subcommittee also deliberated at length on the robustness of the proposed long-term improvement measures as well as the future inspection and maintenance procedures to ensure that all safety-related works would be properly carried out by KCRC to avoid recurrence of similar incidents in the future. As the expert team of the Government was still examining the investigation report prepared by KCRC, the Subcommittee would revisit the subject matter when the Government completed its investigation into the root causes of the problem.

8. The Subcommittee noted with grave concern that KCRC did not immediately notify the Government when the Corporation was aware of the fleet-wide underframe equipment mounting problem. The Subcommittee considered it necessary to review how KCRC handled the ER incident, the reporting within the Corporation, the required notification to the Government

and the interface between KCRC and the Hong Kong Railway Inspectorate in handling the related issues. As the Government had appointed an independent panel to review the issues pertaining to the reporting of the ER incident, the Subcommittee would revisit the accountability issues and the reporting mechanism for railway incidents when the report by the independent panel was available for the Subcommittee's deliberation.

9. The Subcommittee noted that shortly after the ER incident, as an interim measure, the service of ER was switched to manual Automatic Protection mode so as to relieve the stress on the underframe mounting brackets arising from the higher speed of the Automatic Train Operation. However, as manual operation would cause the train frequency (southbound) at the peak hour (from 8:00 am to 9:00 am) to be reduced and impose undue pressure on front-line staff, the Subcommittee called on the Administration and KCRC to speed up the related examination so as to resume normal service at the earliest opportunity.

Kowloon Southern Link

10. The Kowloon Southern Link (KSL) was one of the railway projects recommended for implementation in the Government's Railway Development Strategy 2000. Its strategic function was to link up ER and the West Rail (WR) at the southern part of the Kowloon peninsula. It would run from the existing ER East Tsim Sha Tsui Station to the existing WR Nam Cheong Station. Upon its completion, the population of about one million in Northwest New Territories (NT) could directly access the urban Kowloon area by rail. They could also gain access to Northeast NT through the interchange with ER at the existing Hung Hom Station. KSL would improve the accessibility of residents along the rail corridor and bring significant benefits to the vast travelling public in Hong Kong. Construction works for KSL had commenced and the project was expected to be completed by 2009.

11. In reviewing the progress update of KSL, the Subcommittee reminded the Administration and KCRC to put in place adequate measures to minimize the impact of the construction works on near-by residents and business operators as well as the activities at the Cultural Centre. Temporary traffic arrangements should be implemented to ease traffic congestion, particularly at the road junction near Sheraton Hotel where one traffic lane on each side would be closed to traffic. To avoid visual intrusion, the Subcommittee considered that a more aesthetic design for the hoardings, similar to the one at Canton Road with a green theme design, should be adopted for the construction site.

Northern Link

12. The Subcommittee had long been strongly demanding the early

provision of the Northern Link (NOL). NOL was the missing part of the railway loop serving the Kowloon Peninsula and NT. When completed, rail passengers could interchange with ease between WR and ER at the northern part of NT. They could travel furthest from ER Lo Wu Station and the Ma On Shan Rail Wu Kai Sha Station on the east to the Lok Ma Chau Station and WR Tuen Mun Station on the west. NOL would provide a faster and more convenient rail service for cross-boundary passengers travelling through Lok Ma Chau, particularly those in the western part of the territory, via the WR corridor. Moreover, NOL would boost the daily patronage of WR, thereby achieving better utilization of the existing rail network. KCRC would fund the project with its own finances and had not requested for the Government's financial support. The Subcommittee was pleased to note that the Government decided to request KCRC to proceed with further planning of NOL on 17 January 2006. The Subcommittee called on the Administration and KCRC to speed up the related work.

Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link

13. The Subcommittee noted that the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (ERL), which would link Hong Kong to Shibi (New Guangzhou Station) through Longhua (New Shenzhen Station), would form part of the national high-speed rail network. By means of this new intercity rail corridor, the journey time between Guangzhou and Hong Kong would be reduced from 100 minutes as at present using KCRC's Guangzhou – Hong Kong Through Train service on ER to within one hour. Moreover, through this link, Hong Kong would become a node in the national rail network, and accessibility between Hong Kong and the major Mainland cities such as Beijing, Shanghai and Chongqing would be significantly improved. In addition, by interchanging with the Hangzhou-Fuzhou-Shenzhen Passenger Line (HFS) at Longhua or the Beijing-Guangzhou Passenger Line (BGL) at Shibi, ERL passengers could gain access, via the national rail network, to Pan-Pearl River Delta (PRD) cities. Works for the section of ERL between Shibi and Longhua in the Mainland had commenced in December 2005 for completion in 2010. The timetable for building the section in the Mainland between Longhua and the boundary would be firmed up in conjunction with that of the Hong Kong section.

14. The Subcommittee noted that other than connecting with BGL and HFS, ERL also had the prospect of linking up with the Rapid Transit System (RTS) of PRD area. PRD area had been among the fastest growing economic areas in the Mainland. There were plans to link up cities in PRD area through RTS. The main framework of RTS network consisted of a centre at Guangzhou and two main axles linking Guangzhou with Zhuhai and Shenzhen with some feeder lines connecting to other PRD cities. It was anticipated that RTS network with rails totalling about 390km would be completed by 2010. The total length of RTS would be extended to about 600 km by 2020. According

to the current plan, RTS network would radiate from Shibi Station to other major PRD cities like Foshan, Zhaoqing, Dongguan, Jiangmen and Zhuhai. Through interchange with RTS network, ERL would provide fast and convenient rail services to the various major PRD cities, and would help promote Hong Kong as the gateway to PRD and Pan-PRD areas.

15. In view of the strategic importance of ERL, the Subcommittee was very concerned about the planning and implementation of ERL. The Subcommittee noted that there were two options for the Hong Kong section of ERL: building a dedicated rail track running from its West Kowloon Terminus to the boundary (the Dedicated Corridor Option) or using the existing WR rail track from ERL's West Kowloon Terminus up to the existing WR Kam Sheung Road Station, the rail track of NOL and a new rail track to make connection with the Mainland section of ERL (the Shared Corridor Option).

16. As ERL would form part of the national high-speed rail network which operated at a maximum speed of 250 – 350 km per hour, and had the prospect of linking up with RTS of PRD area, the Subcommittee called on the Administration to consider pursuing the Hong Kong section of ERL under the Dedicated Corridor Option. The design of the dedicated tunnel should also be upgraded to allow use by trains of a maximum speed of 200 km per hour to match that of the Mainland section between Longhua and the boundary. The Subcommittee would continue to monitor the planning and implementation of ERL, taking into account its economic benefits, transport benefits and financial implications.

Shatin to Central Link

17. The Shatin to Central Link (SCL) was a committed, new railway project in the pipeline for implementation. The project was awarded to KCRC in 2002 after a competitive bidding exercise. In response to Government's request, the two corporations had examined in detail, during their discussions on the possible rail merger, the interchange arrangement for SCL. The Subcommittee noted that the proposed SCL scheme in the context of the rail merger would provide for fully integrated interchange stations and interchanging passengers would not be required to pay any second boarding charge. The Subcommittee called on the Administration to expedite the implementation of SCL so as to satisfy the transport needs of the traveling public whilst maintaining healthy competition among different transport modes.

18. During the period from December 2005 to May 2006, the Subcommittee held a total of five meetings.

3 July 2006

**Legislative Council
Panel on Transport**

Subcommittee on Matters Relating to Railways

Membership list for 2005-2006 session

Chairman	Hon Miriam LAU Kin-ye, GBS, JP
Members	Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP Hon LAU Kong-wah, JP Hon Andrew CHENG Kar-foo Hon TAM Yiu-chung, GBS, JP Hon Abraham SHEK Lai-him, JP Hon Tommy CHEUNG Yu-yan, JP Hon Albert CHAN Wai-yip Hon WONG Kwok-hing, MH Hon LEE Wing-tat Hon Jeffrey LAM Kin-fung, SBS, JP
	(Total: 12 members)
Clerk	Mr Andy LAU
Legal Adviser	Miss Connie FUNG
Date	3 July 2006