

**立法會**  
**Legislative Council**

LC Paper No. CB(1)301/07-08  
(These minutes have been seen  
by the Administration)

Ref: CB1/PS/1/04/1

**Panel on Transport**

**Subcommittee on Matters Relating to Railways**

**Minutes of meeting on  
Friday, 9 November 2007, at 8:30 am  
in the Chamber of the Legislative Council Building**

- Members present** : Hon Miriam LAU Kin-ye, GBS, JP (Chairman)  
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP  
Hon LAU Kong-wah, JP  
Hon Andrew CHENG Kar-foo  
Hon Albert CHAN Wai-yip  
Hon WONG Kwok-hing, MH  
Hon LEE Wing-tat  
Hon Jeffrey LAM Kin-fung, SBS, JP  
Hon CHEUNG Hok-ming, SBS, JP
- Members absent** : Hon Albert HO Chun-yan  
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Hon Tommy CHEUNG Yu-yan, SBS, JP  
Hon Ronny TONG Ka-wah, SC  
Hon TAM Heung-man
- Public Officers attending** : **Agenda item V**  
Ms Eva CHENG  
Secretary for Transport and Housing  
  
Mr Philip YUNG  
Deputy Secretary for Transport and Housing  
(Transport) 1

Mr Clement LEUNG  
Deputy Secretary for Financial Services and the Treasury  
(Treasury) 2

Mr WAN Man-lung  
Principal Government Engineer/Railway Development  
Highways Department

**Attendance by  
invitation**

**: Agenda item V**

MTR Corporation Limited

Mr Russell BLACK  
Projects Director

Mr Malcolm GIBSON  
Chief Design Manager

Ms Maggie SO  
External Affairs and Government Relations Manager

**Clerk in attendance :**

Mr Andy LAU  
Chief Council Secretary (1)2

**Staff in attendance :**

Mr Noel SUNG  
Senior Council Secretary (1)4

Miss Winnie CHENG  
Legislative Assistant (1)5

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Action

**I Election of Chairman (if required)**

Ms Miriam LAU sought members' views on whether re-election of the Chairman for the 2007-2008 session was necessary.

2. Members agreed that there was no need to carry out a re-election.

Action

**II Schedule of meetings for the 2007-2008 session**

3. Members agreed to the following schedule of meetings for the 2007-2008 session –

<b>Meeting date</b>	<b>Meeting time</b>
11 January 2008, Friday	8:30 am – 10:30 am
7 March 2008, Friday	10:45 am – 12:45 pm
2 May 2008, Friday	10:45 am – 12:45 pm

*(Post-meeting note: A schedule of meetings was circulated to members vide LC Paper No. CB(1)233/07-08 on 9 November 2007.)*

**III Information papers issued since the meeting on 16 July 2007**

- (LC Paper No. CB(1)2330/06-07(01) - Administration's paper on review of Light Rail Transit system
- LC Paper No. CB(1)2339/06-07(01) - Submission on Shatin to Central Link from 九龍城關注啓德發展居民組 (Restricted to members only)
- LC Paper No. CB(1)2381/06-07(01) - Administration's paper on Shatin to Central Link, responding to the submission from 九龍城關注啓德發展居民組)

4. Members noted the information papers issued since the meeting on 16 July 2007.

**IV Discussion items for next meeting**

- (LC Paper No. CB(1)176/07-08(01) - List of outstanding items for discussion
- LC Paper No. CB(1)176/07-08(02) - List of follow-up actions)

5. Members agreed that the Subcommittee should discuss the South Island Line (SIL) project as proposed by the Administration at the next meeting scheduled for 11 January 2008.

6. Members agreed that, in connection with the discussion of the SIL project, the Administration should provide the following information to the Subcommittee –

- (a) Land use planning in Southern District, including the proposed implementation timeframe of various projects;
- (b) Projected patronage of SIL, and additional demand generated by the planned developments in Southern District; and

Action

- Admin (c) An assessment of the impact of SIL on other public transport modes and reorganization plan(s) of existing public transport network upon commissioning of SIL.

Matters relating to the rail merger

Admin 7. Having noted that the Administration had previously undertaken to examine various matters raised by the Bills Committee on Rail Merger Bill and provide a response six months after the passage of the Rail Merger Bill, Members agreed that the Administration should provide a progress update on the matters, including the following –

- (a) scheme design and implementation timetable for Shatin to Central Link (SCL);
- (b) measures to enhance in-train dissemination of information to passengers;
- (c) measures to improve the air flow at platforms of non-enclosed railway stations;
- (d) provision of public toilets at railway stations; and
- (e) review of the role of Light Rail in the overall public transport service market within the North-west Transit Service Area, and introduction of suitable improvement measures to enhance the transport services in the area at reasonable fares.

8. Upon receiving the information from the Administration, the Subcommittee agreed that it would decide on whether there was a need to convene a special meeting to review the related matters.

**V West Island Line**

(File Ref.: THB(T)CR 11/1016/99

- Administration's paper on the Mass Transit Railway West Island Line (Legislative Council Brief)

LC Paper No. CB(1)176/07-08(03)

- Administration's paper on funding support for the design phase expenditure of the MTR West Island Line

LC Paper No. CB(1)177/07-08

- Paper on West Island Line prepared by the Legislative Council Secretariat (Background brief))

Action

Briefing by the Administration and MTR Corporation Limited

9. The Secretary for Transport and Housing (STH) apprised the meeting on the planning and proposed funding arrangements for the West Island Line (WIL) project by highlighting the salient points in the paper and the Legislative Council Brief.

10. Mr Malcolm GIBSON, the Chief Design Manager of MTR Corporation Limited (MTRCL) briefed the meeting, through a Powerpoint presentation, on the design of WIL.

Discussion

11. Whilst supporting the proposed funding support to MTRCL to cover the design phase expenditure of the WIL project up to authorization under the Railways Ordinance (Cap. 519) at an estimated cost of \$400 million in money-of-the-day prices, Members expressed divergent views and concerns regarding the WIL project –

- (a) the funding support of around \$6 billion for the WIL project should be provided to MTRCL with certain conditions, e.g. Government should be allowed to participate in the determination of the fare levels of MTR railways; MTRCL should provide concessionary fares such as weekly and monthly tickets to passengers; and/or use part of its profits to set up a "Fare Stabilisation Fund" so as to reduce the pressure on any upward adjustment of railway fares;
- (b) the implication of the funding arrangements for WIL on future railway projects, e.g. the South Island Line (SIL) and SCL, and the Government's policy on granting funding support to MTRCL, which was a publicly listed company, to embark on railway projects which MTRCL would otherwise not undertake at all given the financial non-viability; and
- (c) the impact on other modes of public transport, e.g. buses, green minibuses and taxis, as a result of the construction of WIL and the provision of pedestrian links and lift towers connecting various areas and station concourses of WIL.

Admin

12. To allay members' concerns, the Administration was requested to provide further information on the following:

- (a) policy considerations in granting funding support to MTRCL for undertaking financially non-viable railway projects;
- (b) the criteria and planning parameters for provision of railway stations in a district, in view of the fact that Western District would be provided with three railway stations whereas only one station was provided in densely populated districts such as Tin Shui Wai and Tsuen Wan;

Action

- (c) consideration should be given to providing one additional entrance (i.e. a total of four entrances) to Kennedy Town Station as requested by local bodies; and
- (d) an assessment report of the impact of the WIL on other modes of public transport and reorganization plan(s) of existing public transport network upon commissioning of the WIL.

**VI Any other business**

- 13. There being no other business, the meeting ended at 9:50 am.

Council Business Division 1  
Legislative Council Secretariat  
21 November 2007

**Panel on Transport**

**Subcommittee on Matters Relating to Railways**

**Proceedings of the meeting  
on Friday, 9 November 2007, at 8:30 am  
in the Chamber of the Legislative Council Building**

<b>Time marker</b>	<b>Speaker</b>	<b>Subject(s)</b>	<b>Action required</b>
<i>Agenda Item I – Election of Chairman (if required)</i>			
000000 - 000035	Ms Miriam LAU Chairman	- Re-election of Chairman was not necessary.	
<i>Agenda Item II – Schedule of meetings for the 2007-2008 session</i>			
000036 - 000131	Chairman	- Members agreed on the schedule of meetings for the Sub-committee.	
<i>Agenda Item III – Information papers issued since the meeting on 16 July 2007</i>			
000132 - 000212	Chairman	- Members noted the information papers issued since the meeting on 16 July 2007.	
<i>Agenda Item IV – Discussion items for next meeting</i>			
000213 - 000447	Chairman Mr LAU Kong-wah	- Members agreed to discuss the item on the South Island Line (SIL) project at the next meeting.  - Mr LAU Kong-wah requested that the Administration should provide a progress update on various matters raised by the Bills Committee on the Rail Merger Bill.	The Administration was requested to provide information relating to the land developments in Southern District, and the assessment of the impact of SIL on other public transport modes. The Administration was also requested to provide an update on matters raised at the Bills Committee on the Rail Merger Bill.
<i>Agenda Item V – West Island Line</i>			
000448 - 000559	Chairman	- Chairman welcomed the Administration and the MTR Corporation Limited (MTRCL)'s representatives to the meeting.	
000600 - 000737	Administration	- Secretary for Transport and Housing (STH) briefed members on the paper.	
000738 - 001832	MTRCL	- MTRCL gave a Powerpoint presentation on the Western Island Line (WIL) project.	

Time marker	Speaker	Subject(s)	Action required
001833 - 002324	Mr Jeffrey LAM Administration	<ul style="list-style-type: none"> <li>- Mr Jeffrey LAM' was concerned about how the estimated income and expenditure of WIL, and the funding gap of \$6 billion were worked out.</li> <li>- The Deputy Secretary for Financial Services and the Treasury (Treasury)2 (DS/FS&amp;T2) responded that the project estimates of WIL were worked out based on information currently available. The current paper sought \$400 million for the design phase of the project up to project authorization. Independent consultants would be engaged to assess the total funding in detail. A more accurate estimate would then be formulated for seeking further provisions to implement the project.</li> </ul>	
002325 - 002830	Mr WONG Kwok-hing Administration	<ul style="list-style-type: none"> <li>- Mr WONG Kwok-hing was concerned whether the Government had any say on the fare levels of MTR railways given that a direct funding of around \$6 billion would be provided for WIL. With reference to paragraph 8 of the paper, Mr WONG was also concerned about the need to provide another \$100 million to build the Essential Public Infrastructure Works (EPIW).</li> <li>- The Deputy Secretary for Transport and Housing (Transport)1 (DS/T1) responded that the EPIW included (a) the building of a Public Transport Interchange (PTI) at Kennedy Town Station; (b) a footbridge over Pokfulam Road connecting a University Station entrance/exit with the University of Hong Kong; (c) pedestrian link at Sands Street; (d) road widening at the Sai Ying Pun Station entrance in Bonham Road; and (e) the pedestrianisation facilities at the Ki Ling Lane entrance/exit of Sai Ying Pun Station.</li> <li>- STH supplemented that the WIL project would bring significant transport and economic benefits to Hong Kong as well as provide an environmental-friendly and efficient mass carrier for commuters. The fare revenue of WIL was worked out based on the existing fare structure of MTR.</li> </ul>	

Time marker	Speaker	Subject(s)	Action required
002831 - 003442	Mr Andrew CHENG Administration	<ul style="list-style-type: none"> <li>- Whilst supporting the building of WIL, Mr Andrew CHENG opined that when the Administration proposed a provision of \$6 billion from public moneys to fill the funding gap for the WIL project, MTRCL should be requested to provide fare concessions to users of WIL, and/or use part of the profits for setting up a "Fare Stabilization Fund" to relieve any pressure on upward adjustment of railway fares.</li> <li>- STH reiterated that the detailed estimates for WIL had yet to be worked out and would be subject to scrutiny by independent consultants. MTRCL was only allowed to receive a reasonable return from the project. Legislative Council would be given details of the project estimates after completion of the detailed design of the project.</li> </ul>	
003443 - 004050	Mr Albert CHAN Administration	<ul style="list-style-type: none"> <li>- Mr Albert CHAN queried about the criteria for the provision of railway stations in a district, noting that three stations would be built in Western District whereas Tsuen Wan and Tin Shui Wai district each had only one station despite a larger population in the latter districts.</li> <li>- STH responded that the design of a railway line had to take into account the local characteristics of the district involved. DS/T1 added that apart from the criterion for provision of one railway station for a population size of 50 000, there were other factors, such as transport facilities available, which had to be taken into consideration in the provision of railway stations in a district.</li> </ul>	The Administration was requested to provide further information as requested by Mr Albert CHAN.
004051 - 004457	Mr CHEUNG Hok-ming Administration MTRCL	<ul style="list-style-type: none"> <li>- Mr CHEUNG Hok-ming enquired about the future development on the site of the existing Kennedy Town swimming pool. He pointed out that residents of Western District had requested that one additional entrance should be provided in Kennedy Town Station near the existing site of the abattoir and incinerator.</li> <li>- STH responded that the site of the existing swimming pool would be used</li> </ul>	

Time marker	Speaker	Subject(s)	Action required
		<p>for provision of a public transport interchange and open space. MTRCL responded that the proposed additional entrance for Kennedy Town Station would be considered during the detailed design of the project. Suitable provisions would be made to cater for future inclusion of such entrance if required.</p>	
004458 - 005045	Chairman Administration	<ul style="list-style-type: none"> <li>- Noting that a number of pedestrian links and facilities, including lifts were provided at WIL connecting the MTR stations with the nearby areas, the Chairman asked about the assessment of the impact of WIL on other modes of public transport. She further asked about the impact of relocating the swimming pool on the local residents given the remoteness of the new location.</li> <li>- DS/T1 responded that the impact on road-based public transport modes could be mitigated by reorganizing the public transport network within the railway catchment areas to ensure an efficient and well-coordinated public transport network with railways as the backbone while maintaining a viable network of bus and minibus services after the commissioning of WIL. As far as the swimming pool in Kennedy Town was concerned, the new location of the swimming pool had been agreed with the relevant District Council and concerned parties.</li> </ul>	
005046 - 010130	Mr Andrew CHENG Administration	<ul style="list-style-type: none"> <li>- Mr Andrew CHENG was concerned that the Government had to provide a large amount of money to build a railway line in collaboration with MTRCL, a publicly listed company whose share holders would be given dividends. He opined that Government should lay down policy for funding such financially non-viable railway projects, and attach certain conditions in the funding support package, e.g. sharing of profits, requirement for MTRCL to provide concessionary fares in the form of weekly or monthly passes for passengers, using part of the profits of MTRCL for setting up a "Fare Stabilization Fund" to help reduce any</li> </ul>	

Time marker	Speaker	Subject(s)	Action required
		<p>pressure on raising the fare levels.</p> <ul style="list-style-type: none"> <li>- STH responded that the Government's policy for providing funding support to railway projects was as explained in paragraphs 13 and 14 of the draft paper to the Public Works Subcommittee. To ensure the best value for the public moneys spent, the Government had adopted a two-stage funding arrangement; and the detailed estimate of the WIL project would be more accurately assessed and vetted by independent consultants before the Government would seek further provision for construction of the WIL. DS/FS&amp;T2 added that the Government had been very careful in providing funding support for large infrastructure projects and would only consider such an arrangement when the project would bring enormous economic and transport benefits to Hong Kong, and in case Government funding support was unavailable, the project would not materialize.</li> </ul>	
010131 - 010359	Chairman Administration	<ul style="list-style-type: none"> <li>- The Chairman requested that the Administration should provide to the Subcommittee an assessment report of the impact of the WIL on other modes of public transport and reorganization plan(s) of existing public transport network upon commissioning of the WIL.</li> <li>- STH responded that the assessment would only be a preliminary assessment as the design of WIL had yet to be finalised.</li> </ul>	The Administration should provide an assessment report of the impact of the WIL on other modes of public transport and reorganization plan(s) of existing public transport network upon commissioning of the WIL.
010400 - 011954	Mr Andrew CHENG Administration	<ul style="list-style-type: none"> <li>- Mr Andrew CHENG opined that the Government should, in the long term, draw up policy on providing funding support on a project specific basis such as railway projects, to a publicly listed company like MTRCL. If the Government had to provide funding support to future railway lines, MTRCL should be committed to make certain concessions, such as fare concessions for passengers.</li> <li>- STH responded that the Government had a clear policy for providing funding</li> </ul>	

Time marker	Speaker	Subject(s)	Action required
		<p>support to railway projects, namely the "ownership approach" (under which the MTRCL would fund, construct and operate the new railway) for natural extensions of existing MTR railway lines; and either the "ownership approach" or the "concession approach" (under which the Government would fund the construction of the new railway line which MTRCL would be granted a service concession to operate) for new railway projects which were not MTR's natural extensions. The Government would stay in touch with the Legislative Council on the type of approach to be adopted for constructing new railway lines. As far as the WIL was concerned, funding was first sought for the design phase of the WIL and only after the detailed estimates had been vetted by independent consultants and the relevant Government bureaux would further provisions for the WIL project be sought. The economic and transport benefits brought about by the WIL to the local and overall community was an important factor for consideration of building the WIL, and the proposed funding arrangement was considered appropriate.</p> <ul style="list-style-type: none"> <li>- Mr Andrew CHENG opined that the Legislative Council should be consulted as early as possible as to which approach the Administration would adopt for building various new railway lines.</li> <li>- STH responded that the Administration would at the appropriate time provide detailed explanation on the different approaches for funding and building new railway projects and provide information as requested by Mr CHENG.</li> </ul>	<p>The Administration to provide information as requested by Mr CHENG at the appropriate time.</p>
<i>Agenda Item VI – Any other business</i>			
011955 - 012101	Chairman	- There being no other business, the meeting ended at 9:50 am.	