

立法會

Legislative Council

LC Paper No. CB(1)1870/12-13

(These minutes have been seen
by the Administration)

Ref: CB1/PS/1/12

Panel on Transport

Subcommittee on Matters Relating to Railways

Minutes of meeting on Friday, 24 May 2013, at 8:30 am in Conference Room 3 of the Legislative Council Complex

- Members present :** Hon CHAN Kam-lam, SBS, JP (Chairman)
Ir Dr Hon LO Wai-kwok, BBS, MH, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon WONG Kwok-hing, MH
Hon Ronny TONG Ka-wah, SC
Hon CHAN Hak-kan, JP
Hon LEUNG Kwok-hung
Hon Michael TIEN Puk-sun, BBS, JP
Hon Frankie YICK Chi-ming
Hon WU Chi-wai, MH
Hon CHAN Han-pan
Dr Hon Elizabeth QUAT, JP
Hon TANG Ka-piu
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Tony TSE Wai-chuen
- Members attending :** Hon LEUNG Che-cheung, BBS, MH, JP
Dr Hon KWOK Ka-ki
- Members absent :** Hon LEE Cheuk-yan
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Gary FAN Kwok-wai

**Public officers
attending** : **Agenda item IV**

Prof Anthony CHEUNG, GBS, JP
Secretary for Transport and Housing

Ms Rebecca PUN Ting-ting, JP
Deputy Secretary for Transport and Housing
(Transport)1

Miss Winnie WONG Ming-wai
Principal Assistant Secretary for Transport and
Housing (Transport)3

Mr Peter LAU Ka-keung, JP
Director of Highways

Mr Henry CHAN, JP
Principal Government Engineer/Railway
Development
Highways Department

Agenda item V

Prof Anthony CHEUNG, GBS, JP
Secretary for Transport and Housing

Mr Andy CHAN
Deputy Secretary for Transport and Housing
(Transport)2

Mr José YAM
Principal Assistant Secretary for Transport and
Housing (Transport)4

Dr Alfred SIT, JP
Deputy Director/Regulatory Services
Electrical and Mechanical Services
Department

Dr LEUNG Kin-man
Assistant Director/Railways
Electrical and Mechanical Services
Department

Ms Macella LEE
Assistant Commissioner/Bus and Railway
Transport Department

Agenda item VI

Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Mr José YAM
Principal Assistant Secretary for Transport and
Housing (Transport)⁴

Dr LEUNG Kin-man
Assistant Director/Railways
Electrical and Mechanical Services
Department

Ms Macella LEE
Assistant Commissioner/Bus and Railway
Transport Department

Agenda item VII

Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Mr José YAM
Principal Assistant Secretary for Transport and
Housing (Transport)⁴

Dr LEUNG Kin-man
Assistant Director/Railways
Electrical and Mechanical Services
Department

Ms Macella LEE
Assistant Commissioner/Bus and Railway
Transport Department

**Attendance by
invitation** :

Agenda item IV

Mr Antonio CHOI
General Manager-XRL
MTR Corporation Limited

Mr Simon TANG
General Manager - XRL Tunnels
MTR Corporation Limited

Ms Maggie SO
Deputy General Manager-Projects and
Property Communications
MTR Corporation Limited

Agenda item V

Dr Jacob KAM
Operations Director
MTR Corporation Limited

Mr Adi LAU
Chief of Operating
MTR Corporation Limited

Mr Richard Michael KEEFE
General Manager – Rolling Stock Fleet
MTR Corporation Limited

Mr Jeff LEUNG
Senior Manager – External Affairs
MTR Corporation Limited

Agenda item VI

Mr Adi LAU
Chief of Operating
MTR Corporation Limited

Mr Terry WONG
Deputy General Manager – Infrastructure
Implementation
MTR Corporation Limited

Mr Sammy WONG
Operations Manager – WRL and LR
MTR Corporation Limited

Mr Jeff LEUNG
Senior Manager – External Affairs
MTR Corporation Limited

Agenda item VII

Mr Adi LAU
Chief of Operating
MTR Corporation Limited

Mr Terry WONG
Deputy General Manager – Infrastructure
Implementation
MTR Corporation Limited

Mr Sammy WONG
Operations Manager – WRL and LR
MTR Corporation Limited

Mr Jeff LEUNG
Senior Manager – External Affairs
MTR Corporation Limited

Clerk in attendance : Ms Sophie LAU
Chief Council Secretary (1)2

Staff in attendance : Miss Katherine CHAN
Council Secretary (1)2

Ms Emily LIU
Legislative Assistant (1)2

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Confirmation of minutes

(LC Paper No. CB(1)1060/12-13 - Minutes of meeting on
1 March 2013)

The minutes of the meeting held on 1 March 2013 were confirmed.

II

Information papers issued since last meeting

(LC Papers Nos. - Press release and powerpoint
CB(1)786/12-13(01) and (02) presentation material
provided by MTR
Corporation Limited on
modification works for the
MTR Diamond Hill Station in
connection with the
development of the Shatin to
Central Link

LC Paper No. CB(1)978/12-13(01) - Supplementary information
paper provided by the MTR
Corporation Limited on their
outsourcing maintenance staff
and train service delays

LC Paper No. CB(1)1038/12-13(01) - Administration's response on
the Hong Kong section of the
Guangzhou-Shenzhen-Hong
Kong Express Rail Link
project and the related
environmental impact
assessment reports

LC Papers Nos. - Letter from Hon LEUNG
CB(1)765/12-13(01) and (02) Kwok-hung on the suspected
false report of service delay
caused by an incident
happened on 16 March 2013
by MTRCL and the

Administration's response)

2. Members noted the above papers which had been issued since the last meeting.

III Items for discussion at the next regular meeting on 5 July 2013

(LC Paper No. - List of outstanding items for
CB(1)1072/12-13(01) discussion
LC Paper No. CB(1)1072/12-13(02) - List of follow-up actions)

3. Members agreed to discuss the following items at the next regular meeting to be held on Friday, 5 July 2013, at 10:45 am:

- (a) Coordination of public transport services to tie in with the commissioning of West Island Line and South Island Line (East); and
- (b) Listening • Responding Programme.

IV Progress and financial situation of the construction of the Hong Kong Section ("HKS") of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL")

(LC Paper No. - Administration's paper on the
CB(1)1072/12-13(03) progress and financial
situation of the construction
of the Hong Kong Section of
the
Guangzhou-Shenzhen-Hong
Kong Express Rail Link

LC Paper No. CB(1)1108/12-13(01) - Sixth half-yearly report on the construction of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link project (for the period between 1 July 2012 and 31 December 2012)

LC Paper No. CB(1)1072/12-13(04) - Paper on the implementation of the Guangzhou-Shenzhen-Hong Kong Express Rail Link

project prepared by the
Legislative Council
Secretariat (background brief)

LC Paper No. CB(1)1072/12-13(05) - Letter dated 7 May 2013 from
Dr Hon KWOK Ka-ki

LC Paper No. CB(1)1072/12-13(06) - Letter dated 15 May 2013
from Hon WU Chi-wai)

4. At the invitation of the Chairman, the Administration briefed members on the latest progress and financial situation of the construction of HKS of XRL. With the aid of a powerpoint presentation, the MTR Corporation Limited ("MTRCL") made a briefing on the progress of the construction of HKS of XRL.

5. The Subcommittee deliberated (Index of proceedings attached at **Annex**). Members' major views and concerns were summarized in the ensuing paragraphs.

Progress of XRL

6. As regards the media's report that the progress of XRL project might be delayed and over budget, members generally showed grave concerns whether the Administration and MTRCL were able to complete the project as scheduled. In order to better understand the progress of XRL project, some members suggested the Administration provide a project schedule showing the key information of its progress and asked MTRCL to explain the details for removal of piles at Nam Cheong Station. Some members further raised questions about the penalty for MTRCL if they were unable to complete XRL project on schedule.

7. In response to members' views and concerns, the Administration stated that the construction of HKS of XRL would still be targeted for completion in 2015. MTRCL had an obligation to comply with the entrustment agreement. Furthermore, the Administration had established a high-level inter-departmental Project Supervision Committee, which held regular meetings with MTRCL to monitor the project implementation from various aspects. The Administration had been working closely with the parties concerned to ensure that XRL works would be completed as scheduled and within the approved budget. If MTRCL, however, was unable to finish the project as scheduled, the Administration would handle the matter

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according to the contract terms and they could provide further information if necessary.

Financial situation of XRL

8. Some members pointed out that the amount of \$4.6 billion out of \$5.4 billion of the project contingencies was claimed. In response to members' queries, the Administration explained that unforeseeable ground conditions was the major reason for the substantiated claims; and that the progress of the foundation and site formation works had been affected by the conditions. They had, however, already earmarked provisions for the unforeseeable situations in the course of construction. Project contingencies were prepared out of the approved budget (i.e. \$66.8 billion). The Administration further stated that while any monetary claim had to be substantiated, the final compensation agreed was usually different from the amount claimed. According to current projections, the amount claimed could be fully covered by project contingencies.

9. MTRCL responded that the contractors were entitled to submit claims in accordance with the relevant contract terms, and MTRCL would examine every claim to ensure strict compliance with the contract terms and established procedures.

Safety issues of XRL

10. Members generally expressed grave concerns about the safety issues of XRL, in particular the media reports of safety issues on the Mainland section of XRL and the impact of XRL project on the structural safety of nearby facilities and buildings at Tai Kok Tsui. MTRCL responded that they had spared no effort to ensure safety in XRL project, including building safety in the vicinity of the West Kowloon Terminus ("WKT") and the railway tunnels; safety of railway operations; and occupational safety in the construction sites. Regarding building safety, MTRCL explained that all monitoring data so far were within expected levels and hence concluded that XRL project had not affected the safety of existing buildings. As regards occupational safety, they mentioned that the rate of accidents was about 50% lower than the Administration's standard.

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Co-location of boundary control facilities

11. Some members enquired about the latest progress of the arrangements for co-location of boundary control facilities at WKT. In response, the Administration mentioned that because co-location at WKT of XRL involved complex legal and constitutional issues, they had been negotiating with the Mainland authorities on necessary arrangements for commissioning of XRL. They would report to the Legislative Council in a timely manner once agreement had been reached. In this connection, the progress of XRL project would not be affected.

Other issues

Admin 12. Some members pointed out that the data provided by the Administration was only up to 31 December 2012 and urged the Administration to provide the up-to-date information, including the grounds of substantiated claims made after December 2012 and an overview of XRL signalling system, for members' reference soonest possible.

Clerk 13. The Chairman suggested paying a visit to XRL Visitors' Centre or the construction sites of HKS of XRL to better understand the progress at an appropriate time. Members agreed.

(Post-meeting note:

1. The site visit to the construction sites of WKT of the HKS of XRL and the Shek Yam to Mei Lai Road tunnel section was conducted on 24 June 2013.

2. The supplementary information provided by the Administration was issued to all Members on 3 July 2013 vide LC Paper No. CB(1)1434/12-13(01).)

V Light Rail ("LR") incident on 17 May 2013

(LC Paper No. - Administration's paper on
CB(1)1072/12-13(07) Light Rail incident on 17 May
2013

LC Paper No. CB(1)1072/12-13(08) - Letter dated 18 May 2013
from Hon WU Chi-wai

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- LC Paper No. CB(1)1072/12-13(09) - Letter dated 18 May 2013
from Hon CHAN Han-pan
and Hon LEUNG Che-cheung
- LC Paper No. CB(1)1072/12-13(10) - Letter dated 20 May 2013
from Hon Michael TIEN
Puk-sun
- LC Paper No. CB(1)1072/12-13(11) - Letter dated 20 May 2013
from Hon Gary FAN
Kwok-wai)

14. At the invitation of the Chairman, the Administration briefed members on the LR incident on 17 May 2013. MTRCL also made a powerpoint presentation to report the details of the incident.

15. The Subcommittee deliberated (Index of proceedings attached at **Annex**). Members' major views and concerns were summarized in the ensuing paragraphs.

Causes of the derailment incident

16. Some members raised concerns about the causes of the derailment incident. They asked if there existed any MTRCL's internal rules, say, punctual arrival at each stop that had prompted speeding in the incident. They also enquired about the number of bends (in particular with slopes) existing in the LR network and whether MTRCL had taken any preventive measures to avoid similar accidents. Some members wondered if MTRCL had assessed the maximum speed that would lead to derailment at the rail junctions and how the derailment happened.

17. MTRCL explained that they did not impose any penalties for LR captains not arriving punctually at each stop. MTRCL stated that from management's point of view, speeding was totally unnecessary. They had anyway implemented preventive measures, such as increased random speed checks along the LR railway network. Moreover, the stipulated speed limit for all rail junctions in the LR network was 15 kilometres per hour to ensure traffic safety. MTRCL supplemented that the derailment might possibly be caused by speeding, which had led to the two sets of wheels on the first carriage of the concerned LR vehicle and the first set of wheels on the second carriage coming off the rail.

Penalty

18. Some members asked whether any penalty would be imposed on both the concerned LR captain and MTRCL as a result of the derailment incident. Also, they asked how MTRCL would penalize the concerned LR captain and what preventive or improvement measures would be taken to avoid similar accidents in the future. Some members wondered whether MTRCL would be subject to the maximum fine of \$15 million for the LR derailment on 17 May 2013 according to the new Fare Adjustment Mechanism. Some members even suggested that the salary of MTRCL's senior management staff should be deducted for failing to ensure the smooth operation of railway service.

19. In response, the Administration explained that according to the service performance arrangement under the new Fare Adjustment Mechanism, MTRCL would be fined for this incident if it was found out that the cause of the incident was not something out of MTRCL's control, considering that the service suspension in the wake of the incident lasted longer than the stipulated 31 minutes. The remuneration packages of MTRCL's senior management were associated with MTRCL's service performance. The board of directors of MTRCL would decide the remunerations of MTRCL's senior management according to the established procedures.

20. MTRCL responded that safety was of paramount importance. They had followed up on each LR captains' speeding case promptly and verbal or written warnings might be issued. For serious cases, the captains might be suspended from driving duties or even dismissed. MTRCL supplemented that fewer than 10 cases of LR speeding had been recorded each year.

Safety measures

21. Members generally expressed concerns over the effectiveness of the announced safety enhancement measures. Some members suggested that MTRCL should adopt an automatic braking system, similar to that of heavy rail, for the LR. A computer system should also be installed inside all LR vehicles to monitor the travelling speed, particularly at points of rail junctions. They also suggested MTRCL to make use of the "black box", i.e. the on-board data recorder, to detect the travelling speed of LR vehicles.

22. In response to members' views and concerns, MTRCL explained that application of the automatic braking system to the LR was not feasible because unlike heavy rail, LR was operated on the open road shared with

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other road users, instead of operated in a closed environment used only by the railway. MTRCL also stated that they had implemented spot-checks within the LR network to detect the speed of LR vehicles and would soon install speed cameras at appropriate locations to remind LR captains to operate safely.

Role of the LR

23. Some members opined that the Administration should review the role of the LR in the long run. With the growing population in the New Territories, it seemed that the existing LR system in Hong Kong had reached its saturation. They suggested the Administration to transform the current LR system to a new one which would not occupy precious road space, such as an elevated automated people mover system, in order to cope with the latest development in the New Territories.

24. In response, the Administration explained that in view of the pressing transport needs in the district, MTRCL had modified the LR trains and increased their capacity in the past few years. At the same time, the Transport Department would continue to coordinate different public transport modes for them to complement each other including to relieve crowdedness. In the long run, the Administration would take members' views into account for future planning.

VI MTR service performance

(LC Paper No. CB(1)552/12-13(01) - MTR Corporation Limited's paper on MTR Service Performance and Safety Campaigns

LC Paper No. CB(1)1072/12-13(12) - Paper on railway service performance prepared by the Legislative Council Secretariat (background brief))

25. Due to lack of time, the Chairman proposed and members agreed to defer the discussion of this item to the next regular meeting.

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VII Safety campaigns organized by the MTR Corporation Limited

(LC Paper No. CB(1)552/12-13(01) - MTR Corporation Limited's paper on MTR Service Performance and Safety Campaigns

LC Paper No. CB(1)1072/12-13(13) - Paper on railway safety prepared by the Legislative Council Secretariat (background brief))

26. Due to lack of time, the Chairman proposed and members agreed to defer the discussion of this item to the next regular meeting.

VIII Any other business

27. There being no other business, the meeting ended at 10:30 am.

Council Business Division 1
Legislative Council Secretariat
7 October 2013

Panel on Transport

Subcommittee on Matters Relating to Railways

**Proceedings of the meeting
on Friday, 24 May 2013, at 8:30 am
in Conference Room 3 of the Legislative Council Complex**

Time marker	Speaker	Subject(s)	Action required
<i>Agenda item I – Confirmation of minutes</i>			
000442 – 000512	Chairman	Confirmation of minutes of the meeting held on 1 March 2013.	
<i>Agenda item II – Information papers issued since last meeting</i>			
000513 – 000523	Chairman	Information papers issued since the last regular meeting.	
<i>Agenda item III – Items for discussion at the next regular meeting on 5 July 2013</i>			
000524 – 000629	Chairman	<p>The Chairman informed members that the Administration proposed the following items to be discussed at the next regular meeting on 5 July 2013:</p> <p>(a) Coordination of public transport services to tie in with the commissioning of West Island Line and South Island Line (East); and</p> <p>(b) Listening • Responding Programme.</p> <p>Members had no objection to the proposed items for discussion.</p>	
<i>Agenda item IV – Progress and financial situation of the construction of the Hong Kong Section ("HKS") of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL")</i>			
000630 – 001115	Chairman Administration	The Administration briefed members on the latest progress and financial situation of the construction of HKS of XRL.	
001116 – 001750	Chairman MTR Corporation Limited ("MTRCL")	With the aid of a powerpoint presentation [LC Paper No. CB(1)1129/12-13(01)], MTRCL made a briefing on the progress of the construction of HKS of XRL.	
001751 – 002129	Chairman Mr WONG Kwok-hing Administration	<p>Mr WONG Kwok-hing made the following enquiries:</p> <p>(a) in accordance with Table 2 of Annex 3 in LC Paper No. CB(1)1108/12-13(01), the amount of unsolved claims for the West Kowloon Terminus ("WKT") project was more than \$1.69 billion while the media reported that the</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>project might be delayed and the amount of unresolved claims was expected to be \$1.55 billion. Mr WONG asked the Administration whether the project would be on schedule and over budget; and</p> <p>(b) it was found that the amount of \$4.6 billion out of \$5.4 billion of the project contingencies was already claimed. Mr WONG questioned if the remaining \$0.8 billion was sufficient enough for the project contingencies and if not, whether the Administration would apply for supplementary provision.</p> <p>The Administration advised that:</p> <p>(a) for infrastructure projects, there were often unexpected difficulties in the course of construction, and MTRCL would liaise closely with the contractors to work out the most appropriate solutions;</p> <p>(b) contractors of XRL project had the obligation to complete the works concerned as required under the contracts within the specified period of time. If there were situations not expected at the tendering stage, the contractors were entitled to submit claims to MTRCL in accordance with the relevant contract terms. The contractors had to provide sufficient justifications with detailed documents to substantiate their claims. MTRCL would examine every claim to ensure strict compliance with the contract terms and established procedures; and</p> <p>(c) with reference to the information document, as at the end of 2012, the sum of about \$1 billion had been awarded for claims under XRL project. The Administration had already earmarked in the budget for XRL project provisions for unforeseeable situations in the course of construction. According to current projections, the amount claimed could be fully covered by project contingencies.</p>	
002130 – 002511	Chairman Dr KWOK Ka-ki Administration MTRCL	<p>Dr KWOK Ka-ki expressed the following views and concerns:</p> <p>(a) the negative media reports of safety issues on XRL project in the Mainland and the impact of</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>the construction of XRL project on the structural safety of nearby facilities and buildings at Tai Kok Tsui worried the public; and that the Administration and MTRCL might sacrifice safety in order to complete XRL project on schedule (i.e. in 2015); and</p> <p>(b) XRL project would result in over budget.</p> <p>The Administration made the following response:</p> <p>(a) for XRL project, the Administration and MTRCL accorded top priority to safety in the course of construction; and</p> <p>(b) it was assessed that the construction of HKS of XRL would still be targeted for completion in 2015. Besides, project contingencies were covered in the approved budget of \$66.8 billion. According to the previous experience in the Administration's infrastructure projects, the final amount of compensation for substantiated monetary claims was usually different from the amount claimed, ranging from about 10% to less than 50%.</p> <p>MTRCL supplemented that they had spared no effort to ensure safety in XRL project, including building safety in the vicinity of WKT and the railway tunnels; safety of railway operations; and occupational safety in the construction sites.</p>	
002512 – 002856	Chairman Mr WU Chi-wai Administration	<p>Mr WU Chi-wai enquired about:</p> <p>(a) the latest progress of the arrangements for co-location of boundary control facilities at WKT; and</p> <p>(b) the penalties for MTRCL if they were unable to complete XRL project on schedule.</p> <p>The Administration responded that:</p> <p>(a) they had designated particular areas for co-location of boundary control facilities ("BCF") at WKT. Because co-location of BCF at WKT of XRL involved complex legal and constitutional issues, the Administration had been negotiating with the Mainland authorities on necessary arrangements for commissioning of XRL. In the case that XRL</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>project could be commissioned on time while the related immigration arrangements were not ready to be implemented, the Administration would make transitional arrangements; and</p> <p>(b) MTRCL had an obligation to comply with the entrustment agreement. Furthermore, the Administration had established a high-level inter-departmental Project Supervision Committee, which held regular meetings with MTRCL to monitor the project implementation from various aspects. The Administration had been working closely with the parties concerned to ensure that construction of XRL would be completed as scheduled and within the approved budget. If MTRCL, however, was unable to finish the project on time, the Administration would handle the matter according to the contract terms and they could provide further information if necessary.</p>	
<p>002857 – 003227</p>	<p>Chairman Mr TANG Ka-piu Administration MTRCL</p>	<p>Mr TANG Ka-piu made the following enquiries:</p> <p>(a) given that as at 31 December 2012, MTRCL had received a total of 318 substantiated claims, what would be the estimated number of additional claims to be received by the Administration;</p> <p>(b) with reference to the buildings at Tai Kok Tsui, what arrangements would be made for MTRCL to conduct building survey; and any remedial plans if the effects on the buildings were confirmed; and</p> <p>(c) during the construction of XRL project, had there been any serious industrial accidents resulting in casualties.</p> <p>The Administration advised that:</p> <p>(a) it was normal for contractors of major infrastructural works to submit claims due to various reasons. While any claim had to be substantiated, the final amount of compensation might be different from the amount claimed. The Administration quoted the Airport Core Project completed more than 10 years ago as an example, that the total number of claims reached 26,948, according to documents submitted by the then Works</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>Bureau to the Legislative Council;</p> <p>(b) as regards safety, MTRCL reported that since commencement of the construction of HKS of XRL, there had been 161 industrial accidents in total, inclusive of one fatal case. Most of the workers involved in these cases suffered minor injuries only. It was observed that the rate of accidents was 50% lower than the Administration's overall figures; and</p> <p>(c) almost all of the workers employed by MTRCL for XRL project were local workers, except for some professional positions like tunnel boring machine operators.</p>	
003228 – 003436	Chairman Mr Frankie YICK Administration	<p>Mr Frankie YICK expressed the following views/questions:</p> <p>(a) it was acceptable that contractors of major infrastructural works might submit claims due to various reasons, in particular unforeseeable ground conditions;</p> <p>(b) despite the media reported that the progress of XRL project might be delayed and over budget, the Administration expressed that it remained their target to complete the construction of XRL project in 2015. Mr YICK enquired whether it was the Administration's subjective wish or the result of their objective assessment; and</p> <p>(c) what was the Administration's confidence level to complete XRL project as scheduled and within the approved budget.</p> <p>In response, the Administration replied that to complete XRL project on time was not only the Administration's subjective wish, but was also based on objective assessment. The Administration would spare no effort to ensure that the implementation of XRL project was within the approved project estimate and on schedule. Besides, XRL project had been implemented in an orderly manner. As at 31 March 2013, over 70% of the excavation works for the tunnels and WKT had been completed. The construction work was still targeted for completion in 2015.</p>	

Time marker	Speaker	Subject(s)	Action required
003437 – 003751	Chairman Mr Tony TSE Administration	<p>Mr Tony TSE raised his concerns/questions as follows:</p> <ul style="list-style-type: none"> (a) the data provided in the Administration's information paper was only up to 31 December 2012, the Administration should provide more up-to-date information, including the grounds of substantiated claims made after December 2012 for members' reference; and (b) whether there was any discrepancy between the original planning and the actual progress. <p>The Administration advised that:</p> <ul style="list-style-type: none"> (a) the information paper mentioned by Mr TSE was a regular half-yearly report for the period from 1 July to 31 December 2012 on the progress and financial situation of the construction of HKS of XRL. The Administration would provide the latest information in due course; (b) unexpected ground conditions encountered was the major reason for substantiated claims, and the progress of the foundation and site formation works had been affected by unforeseeable ground conditions; and (c) XRL project was expected to be commissioned on schedule that was in 2015. 	Administration to provide information / response (paragraph 12 of minutes)
003752 – 004108	Chairman Mr Christopher CHUNG Administration MTRCL	<p>Mr Christopher CHUNG expressed the following views and concerns:</p> <ul style="list-style-type: none"> (a) as the data provided by the Administration was only up to 31 December 2012, Mr CHUNG also urged the Administration to provide updated information; (b) how many additional claims were projected to be received by the Administration; (c) in order to better understand the progress of XRL project, the Administration should as far as practicable provide a project schedule showing the key information of its progress, such as the commencement dates for boring works, and electrical and mechanical works; and 	Administration to provide information / response (paragraph 12 of minutes)

Time marker	Speaker	Subject(s)	Action required
		<p>(d) how the Administration would handle building safety in Tai Kok Tsui area as well as other districts in the vicinity of WKT and the railway tunnels.</p> <p>The Administration explained that as a result of the recent reports by the media and the growing concern of the public about XRL project, they decided to make use of this meeting to brief members on the 6th half-yearly regular report (for the period from 1 July to 31 December 2012) on the progress and financial situation of the construction of HKS of XRL. The Administration would update members on the relevant information in due course.</p> <p>MTRCL made the following response:</p> <p>(a) surveys for the common areas of a total of 19 affected buildings in Tai Kok Tsui area were completed and the relevant reports had been delivered to the respective owners corporations;</p> <p>(b) MTRCL had established procedures to handle reports of damages to buildings. Upon receipt of such reports, they would arrange joint site inspection and professional assessment by the project team, representatives of its contractors and the people concerned to ascertain whether the relevant damages were caused by XRL works. Crack gauges would also be installed at some buildings to strengthen monitoring of buildings and protection of residents. MTRCL would continue to maintain close communication with concerned residents and follow up each and every issue raised by them; and</p> <p>(c) up to the current stage, it was found that all monitoring data were within expected levels and MTRCL hence concluded that XRL project had not affected the safety of the existing buildings.</p>	<p>Administration to provide information / response (paragraph 12 of minutes)</p>
004109 – 004457	Chairman Dr LO Wai-kwok MTRCL	<p>Dr LO Wai-kwok opined that:</p> <p>(a) Dr LO shared similar views with Mr Frankie Yick that it was not uncommon for the contractors of major infrastructural works to submit claims because of unexpected ground</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>conditions;</p> <p>(b) among 97 cases of resolved claims, the average amount originally claimed and finally awarded for each case was around \$20 million and \$10 million respectively. Dr LO asked MTRCL to briefly explain the grounds for both the lowest and highest claims; and</p> <p>(c) because of the recent concerns expressed by the media, Dr LO suggested MTRCL to explain details of removal of piles near Nam Cheong Station.</p> <p>MTRCL advised that:</p> <p>(a) one of the major reasons for the substantiated claims indicated in Annex 3 of the Administration's paper [LC Paper No. CB(1)1108/12-13(01)] was unforeseeable ground conditions encountered while those of the individual cases varied. For instance, there had been more excavation works required or more complicated ground conditions than expected in the course of foundation and excavation works and the contractors might have to spend more time or more resources to cope with the situation; and</p> <p>(b) deviation had been identified between the estimated and actual verticality of the piles at Nam Cheong Station, which created difficulties in removing the piles. The solution was to adopt a new method while the contractors had to spend more time and use appropriate machinery. Removal of the remaining piles was expected to be carried out smoothly.</p>	
004458 – 004931	Chairman Mr LEUNG Kwok-hung Administration MTRCL	<p>Mr LEUNG Kwok-hung expressed the following concerns:</p> <p>(a) the reorganization of the Ministry of Railways of China might lead to insufficient funds for the construction of the Mainland section of XRL, would Hong Kong still be able to benefit from XRL project costing as much as \$66.8 billion;</p> <p>(b) the arrangements for co-location of boundary control facilities at WKT were far from</p>	

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		<p>practical; and</p> <p>(c) whether the Administration would provide relevant reports on the unexpected ground conditions for members' reference.</p> <p>The Administration made the following response:</p> <p>(a) having taken note of the recent reorganization of the Ministry of Railways, the Administration had been trying to communicate with relevant parties regarding the Mainland section of XRL; and</p> <p>(b) as co-location at WKT involved complex legal and constitutional issues, the Administration had been negotiating with the Mainland authorities on necessary arrangements for the commissioning of XRL. In addition, the Administration would report to the Legislative Council in a timely manner once agreement had been reached.</p> <p>MTRCL supplemented that the progress of the foundation and site formation works had been affected by unexpected ground conditions. The contractors were, therefore, entitled to submit claims to MTRCL in accordance with the relevant contract terms. MTRCL would examine every claim to ensure strict compliance with the contract terms and established procedures.</p>	
004932 – 005414	Chairman Mr Ronny TONG Administration	<p>Mr Ronny TONG expressed the following views:</p> <p>(a) because the data provided by the Administration was only up to 31 December 2012, Mr TONG also urged the Administration to provide up-to-date information for members' reference soonest possible;</p> <p>(b) the Administration was requested to provide details of the substantiated claims by the categories of: (1) design coordination and changes; (2) unexpected ground conditions; (3) inclement weather; (4) delay caused by external factors; and (5) other reasons; and</p> <p>(c) it might be necessary to hold another meeting to follow up with XRL project.</p>	

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		<p>The Administration advised that:</p> <p>(a) the information paper was a half-yearly regular report (up to 31 December 2012) on the progress and financial situation of the construction of HKS of XRL. The Administration had to take some time to update members on the latest information; and</p> <p>(b) generally speaking, the final compensation for substantiated claims agreed was usually different from the amount claimed (ranging from more than 10% to less than 50%) in the Administration's infrastructure projects.</p>	<p>Administration to provide information / response (paragraph 12 of minutes)</p>
005415 – 005935	Chairman Mr Michael TIEN Administration MTRCL	<p>Mr Michael TIEN suggested that the signalling system would be the core part of the whole railway system, and requested MTRCL to update members on the latest position of the acquisition of XRL signalling system.</p> <p>MTRCL advised that the tendering stage was completed and XRL signalling systems for both HKS and Mainland section would be procured from the same company.</p> <p>The Administration said that supplementary information on the signalling system would be provided in due course.</p> <p>The Chairman suggested paying a visit to XRL Visitors' Centre or the construction sites of HKS of XRL and meeting with the Administration and MTRCL on this particular subject at an appropriate time. Members agreed.</p>	<p>Administration to provide information / response (paragraph 12 of minutes)</p> <p>The Clerk to arrange the visit</p>
<i>Agenda item V – Light Rail ("LR") incident on 17 May 2013</i>			
005936 – 010333	Chairman Administration	The Administration briefed members on the LR incident on 17 May 2013.	
010334 – 011035	Chairman MTRCL	MTRCL made a powerpoint presentation [LC Paper No. CB(1)1129/12-13(02)] to give an account of the LR incident occurred on 17 May 2013; and the improvement measures taken afterwards.	
011036 – 011432	Chairman Mr WONG Kwok-hing MTRCL	<p>Mr WONG Kwok-hing expressed the following views:</p> <p>(a) apart from MTRCL's lately announced safety</p>	

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		<p>enhancement measures, Mr WONG suggested MTRCL to adopt an automatic braking system for the LR; and</p> <p>(b) it was insufficient to step up only spot-checks within the LR network on the speed of LR vehicles. Instead, MTRCL should install fixed speed cameras inside all LR trains to effectively monitor their travelling speed, particularly for points of rail junctions in the LR network.</p> <p>MTRCL responded that:</p> <p>(a) application of the automatic braking system to the LR was not recommended as the LR captains had to use the road together with other vehicles and road users, and to react to actual situations. In addition, the LR in Hong Kong was similar to light rails in other cities, where captains were responsible for the speed of the vehicles. It was known that no automatic braking system or train control system was applied to other similar type of systems sharing public road space; and</p> <p>(b) with reference to the Police's existing speed camera systems for detecting speeding vehicles, MTRCL implemented spot-checks within the LR network and would soon install fixed speed cameras at appropriate locations. The major purpose of these measures was to remind LR captains to stay vigilant on the road for the sake of traffic safety.</p>	
011433 – 011813	Chairman Mr WU Chi-wai Administration MTRCL	<p>Mr WU Chi-wai raised the following questions:</p> <p>(a) Mr WU asked why MTRCL carried out manually-operated spot-checks within the LR network, instead of making use of the "black box" (the on-board data recorder) to detect the travelling speed of LR vehicles;</p> <p>(b) from the management's point of view, Mr WU asked whether there existed any MTRCL's internal rules that had prompted speeding; and</p> <p>(c) under the new Fare Adjustment Mechanism, if MTRCL would be subject to the maximum fine of \$15 million for the LR derailment on 17 May 2013.</p>	

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		<p>MTRCL responded that:</p> <p>(a) MTRCL had considered using "black box" for monitoring the speed of LR vehicles before. However, it took time to analyze the data collected from the "black box". For example, there were different speed limits along the LR network. They had to check the time and location of the LR vehicles against their speed records from the "black box". In this connection, MTRCL implemented spot-checks within the LR network to detect the speed of LR vehicles and prompt actions would be taken if speeding was found. These measures could remind LR captains to stay alert to drive safely; and</p> <p>(b) MTRCL had not imposed any penalties for LR captains not arriving punctually at each stop if they spent time in helping passengers or the journey was delayed by road congestion. From management's point of view, speeding was totally unnecessary.</p> <p>The Administration explained that according to the service performance arrangement under the new Fare Adjustment Mechanism, MTRCL might be fined for this incident if it was found out that the cause of the incident was not something out of MTRCL's control, considering that the service suspension in the wake of the incident lasted longer than the stipulated 31 minutes. Nevertheless, it should also be noted that events caused by factors outside MTRCL's control, like passengers' behaviours and bad weather, would be exempted.</p>	
011814 – 012156	Chairman Dr Elizabeth QUAT Administration MTRCL	<p>Dr Elizabeth QUAT expressed the following views and concerns:</p> <p>(a) MTRCL's newly announced enhancement safety measures seemed not active enough to combat the LR speeding problem. To avoid similar accidents from happening in the future, Dr QUAT suggested MTRCL to explore a computer system on each LR vehicle to monitor its speed. The system would alert LR captains to lower their travelling speed when it was over the limit; and</p> <p>(b) Dr QUAT enquired about the Administration's role in law enforcement to ensure safety of the</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>LR system.</p> <p>MTRCL made the following response:</p> <ul style="list-style-type: none"> (a) for the sake of safe operation of LR, MTRCL conducted regular trainings and examinations for LR captains to improve their driving skills and attitudes; and (b) it was not feasible to apply any automatic control system to restrict the maximum permissible speed of LR vehicles because there were different speed limits in the LR network. LR captains had to observe the different speed limits and control the speed of LR vehicles accordingly and react to road conditions. <p>The Administration advised that the LR captains had to observe rules stipulated in the Road Traffic Ordinance, like other road users.</p>	
012157 – 012630	Chairman Mr Michael TIEN Administration MTRCL	<p>Mr Michael TIEN expressed the following views:</p> <ul style="list-style-type: none"> (a) before the handover, the British Administration developed the LR system in the New Territories, with reference to the light rails used in less densely populated areas in London; and (b) with the growing population in the New Territories, it seemed that the existing LR system in Hong Kong had reached its saturation. Mr TIEN suggested the Administration to transform the current LR system to a new system, such as an elevated automated people mover system in Kowloon East, in order to cope with the latest development in the New Territories. <p>In response, MTRCL said that the current LR system could cope with the current transport needs. Referring to international experience, MTRCL believed that it was technically feasible to implement an elevated automated people mover system, as suggested by Mr TIEN.</p> <p>The Administration made the following response:</p> <ul style="list-style-type: none"> (a) in view of the pressing transport needs in the New Territories, MTRCL had modified the LR vehicles and increased their carrying capacity 	

Time marker	Speaker	Subject(s)	Action required
		<p>in the past few years. At the same time, the Transport Department would continue to coordinate different public transport modes for them to complement each other including to relieve crowdedness; and</p> <p>(b) the Administration would consider Mr TIEN's recommendation when pursuing the relevant policies.</p>	
012631 – 012822	Chairman Mr Frankie YICK Administration	<p>Mr Frankie YICK expressed that:</p> <p>(a) it was considered impracticable for LR to adopt any automatic control system to lower the speed of LR vehicles because the LR system had to share the road with other vehicles and LR captains had to react to actual road conditions;</p> <p>(b) what would be the sanctions/penalty for the LR captains who were caught speeding; and</p> <p>(c) the Administration should consider a new system to replace the current LR system.</p> <p>In response, the Administration said that they would review the role of the LR system in the long run when conducting comprehensive transport studies in due course.</p>	
012823 – 013230	Chairman Mr LEUNG Che-cheung Administration MTRCL	<p>Mr LEUNG Che-cheung raised the following views and questions:</p> <p>(a) how MTRCL would penalize LR captains if they were caught speeding; and</p> <p>(b) if the Police's investigation found that the travelling speed had indeed led to the derailment, how MTRCL would penalize the concerned captain and what preventive or improvement measures would be taken to avoid similar accidents in the future.</p> <p>The Administration responded that the new Fare Adjustment Mechanism was introduced to penalize MTRCL for serious service disruptions if the incident involved factors within MTRCL's control.</p> <p>MTRCL said that safety was of paramount importance. They would follow up on each LR</p>	

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		<p>captains' speeding case and verbal or written warnings might be issued. For more serious cases, the captains might be suspended from driving duties or even dismissed. MTRCL supplemented that fewer than 10 cases of LR speeding were recorded each year.</p>	
<p>013231 – 013622</p>	<p>Chairman Dr KWOK Ka-ki Administration</p>	<p>Dr KWOK Ka-ki expressed the following views:</p> <ul style="list-style-type: none"> (a) as regards Mr Michael TIEN's abovementioned suggestion, whether the Administration would explore a new system to replace the current LR system; (b) what was the annual figure of LR captains having been caught speeding; (c) would MTRCL consider the installation of speed limiters on LR vehicles as a safety enhancement measure; and (d) the new Fare Adjustment Mechanism was not very effective in monitoring MTRCL's service performance. He was not satisfied that MTRCL might be subject to a maximum fine of \$15 million for this incident whereas the penalty would be deducted from the pool of funds reserved for the "10% Same Day Second Trip Discount" scheme. Instead, Dr KWOK suggested that the salary of MTRCL's senior management staff be deducted for having failed to ensure smooth operation of railway service. <p>The Administration advised that:</p> <ul style="list-style-type: none"> (a) the Administration would review the role of the LR system in the long run when conducting comprehensive transport studies in due course and they would consider members' recommendations; and (b) as regards the penalty under the new Fare Adjustment Mechanism, proceeds of fine imposed would be credited for fare concessions to passengers. The remuneration packages of MTRCL's senior management would be associated with MTRCL's service performance. The board of directors of MTRCL would decide the remunerations of MTRCL's senior management according to the 	

Time marker	Speaker	Subject(s)	Action required
		established procedures.	
013623 – 013919	Chairman Mr Tony TSE MTRCL	<p>Mr Tony TSE expressed the following views:</p> <ul style="list-style-type: none"> (a) echoing with other members' views, Mr TSE appreciated that the Administration would consider to review the role of the LR system in the long run; and (b) apart from regular training to enhance LR captains' driving skills and attitudes, whether the LR Operations Control Centre could do anything to remind the captains to drive in a safe manner. <p>MTRCL made the following response:</p> <ul style="list-style-type: none"> (a) the immediate control function of the LR Operations Control Centre was relatively less important in LR system as it had to share the road with other users. Nevertheless, LR captains could communicate with the Centre by radio; and (b) the major purpose of MTRCL's lately announced safety enhancement measures was to remind LR captains to stay vigilant on the road for the sake of safety. 	
013920 – 014305	Chairman Mr TANG Ka-piu MTRCL	<p>Mr TANG Ka-piu raised the following questions:</p> <ul style="list-style-type: none"> (a) how many bends (in particular with slopes) existed in the LR network and whether MTRCL had taken any preventive measures to avoid accidents; and (b) whether the derailment incident was caused by the second carriage of the double-set LR vehicles hitting onto the first carriage. <p>MTRCL responded that:</p> <ul style="list-style-type: none"> (a) MTRCL had already implemented preventive measures, such as increased random speed checks along the LR railway network. Besides, the speed limit for all points of rail junctions in the LR network was stipulated at 15 kilometres per hour to ensure traffic safety; and 	

Time marker	Speaker	Subject(s)	Action required
		<p>(b) it was preliminarily assessed that two sets of wheels on the first carriage of the concerned LR vehicle and the first set of wheels on the second carriage came off the rail due to speeding. The first carriage indeed pulled the second carriage and the damage was caused by the derailment.</p>	
014306 – 014746	<p>Chairman Mr CHAN Han-pan Administration MTRCL</p>	<p>Mr CHAN Han-pan expressed the following views and concerns:</p> <p>(a) whether MTRCL had assessed the safety factors of the LR system and the speed that would lead to derailment at the rail junctions; and</p> <p>(b) agreed with other members that the Administration should explore a new system to replace the current LR system which occupied large parts of the roads, and asked for a timetable for the study when available.</p> <p>In response, MTRCL explained that they had already calculated the permissible speed at rail junctions, which was indeed higher than the stipulated speed of 15 kilometres per hour.</p> <p>The Administration said that they would in the long run assess if the LR system could accommodate the growing transport needs in the New Territories. Any review on the existing system in the long run would have to cautiously take into account any existing constraints of the system and views from different parties.</p>	