Letterhead of S.O.S. Save Our Shorelines Society

CB(1)1717/00-01(01)

15 June 2001

Hon Mrs Miriam LAU Kin-yee, JP Room 511, West Wing Central Government Offices, Hong Kong (Fax: 2530 9167)

Dear Miriam.

Route 7 and a South Island Line for Southern District

We are writing to you at this time because we believe the Transport Bureau (TB) will be releasing its views on Route 7 (R7) very shortly. The TB is likely to seek your endorsement to proceed with a scaled-down version of R7. This is likely to be an at-grade dual 2-lane highway (instead of dual 3-lanes as previously proposed) on reclamation for most of its length, other than a short section of tunnel through Mount Davis.

SOS has been tracking R7 for a long time and we have studied every aspect of it. We believe that R7 is unnecessary and environmentally damaging and that rail is a significantly better option from every perspective including transport, urban planning, finance, public health and the environment.

We believe even a scaled-down R7 will not serve the public interest and we would like to share our reasons for this assessment with you. We will shortly be sending you an alternative proposal that we believe can better meet Southern District's future transport needs. In the meantime we would like to clarify what we believe are some common misconceptions about R7 and the alternative of a South Island Line rail.

1. Misconception: Both road and rail are needed. R7 will be constructed first.

Reality: There is no need for both. If R7 is built, rail will be considered to be unviable financially but construction of a rail will eliminate the need for R7 and is a superior option.

The TB maintains that even if a railway is built, R7 will still be needed, largely for goods vehicles. This reasoning is based on assumptions in its traffic modelling. We have examined them and our own traffic engineers' advice is that there is no basis for those assumptions. The fact that the TB is going to reduce R7's scale is an indication that its original assumptions could not be justified.

The problematic assumptions include: (a) TB has previously assumed a very high growth rate of vehicles, which may not be the case; (b) TB also assumed that even if a railway is built only 3% of people currently using cars and taxis would switch from road to rail, and (c) that all existing bus services would continue after completion of a rail connection.

SOS own studies have shown that provision of a railway will free up road space to accommodate the small proportion (18%) of goods vehicles on the roads. SOS believes that there is no need for R7 if a railway can be built instead. On the other hand, if construction of R7 goes ahead, it will make

construction of a railway at a later date financially unviable, since many of the potential passengers for a railway will already be served by the road and new bus services designed for them.

2. Misconception: Time is of the essence to prevent congestion. Building R7 will take less time.

Reality: There is time to build a rail since the current road improvement projects provide sufficient time for rail to be built provided that a decision is taken soon.

The TB has sought to argue that time is of the essence and that R7 has to be built soon. There are substantial road improvement projects already being carried out. These will provide relief for some years to come, giving the necessary time for a rail line to be built. The MTRC has a proposed modern, fast, lower cost medium-rail option, which will provide sufficient capacity, and which can be put into place relatively quickly.

3. Misconception: R7 is needed for the Cyberport.

Reality: Cyberport's road needs can be met by existing up-grades to Victoria and Pok Fu Lam Roads and rail will provide better services for its residents

There is also no merit in the argument that R7 is needed to serve the Cyberport Development. The Cyberport's additional traffic needs can be met by up-grades to existing junctions. The provision of a modern, fast, rail system will be much more compatible with the overall objectives of Cyberport.

4. Misconception: Rail is much more expensive than road.

Reality: Rail provides many more benefits that R7 cannot.

According to government estimates from the Third Comprehensive Transport Study, the capital costs for a railway will be \$2.45 billion (based on a light rail, similar to that at Tuen Mun) and that for R7 will be \$6 billion. Capital costs for a medium-rail option (similar and compatible with the MTR but with shorter trains and platforms and cheaper to build) are more likely to be in the order of HK\$8 billion. These costs will change with the new alignment and plans for R7 obviously.

Government provides roads free of charge to privately owned bus companies (who pay no fuel duties or licence fees) and there is no requirement for roads to be self financing. If railways were to receive partial support in the form of grants rather than loans they could provide a much better transport service and greatly reduce road traffic, in line with the Government's rail-led transport strategy.

The initial capital cost of the railway is the main constraint preventing early provision of a rail system in Southern District. The MTRC's medium rail option is less expensive than a full rail and it provides a cleaner, faster and more efficient system for everyone. Rail is also more compatible with the future tourism developments that are being planned for Aberdeen. Rail is also a much safer transport solution than roads.

5. Misconception: Government's transport planning is going to be rail-led in future.

Reality: Rail-led transport will not happen unless road vs. rail financing is changed. The Route 7 vs. Rail question is a good opportunity to confirm this

The current system of railway financing, whereby the viability of a railway project is assessed on the basis of the financial return to the rail operator, means that there needs to be a significant population before a railway scheme is considered viable for new and existing development areas. This approach is the reason why large populations at Tuen Mun and Tseung Kwan O have been compelled to rely upon road links without a railway service for many years. Not only does this policy foster continued reliance on more polluting road-based transport, but it also reduces the viability of railways for the future.

Once the wider economic benefits of cleaner air, less noise, fewer accidents, better tourism service and higher property values are taken into account, rail wins as a much better option. In view of the significant environmental and social costs associated with R7, Hong Kong should be prepared to commit to the additional costs for a South Island Line that will provide long term benefits to the community, and not proceed with R7.

If you need further information we would be pleased to meet to provide an in-depth analysis.

Yours sincerely,

Christine Loh Chair