

立法會
Legislative Council

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by the Administration and
cleared with the Chairman)

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Panel on Transport

Subcommittee on matters relating to railways

**Minutes of meeting on
Monday, 29 September 2003, at 3:30 pm
in the Chamber of the Legislative Council Building**

Members present : Hon Miriam LAU Kin-yee, JP (Chairman)
Ir Dr Hon Raymond HO Chung-tai, JP
Hon CHAN Kwok-keung, JP
Hon LAU Kong-wah, JP
Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Albert CHAN Wai-yip
Hon LAU Ping-cheung

**Non-Subcommittee
Member attending** : Hon Fred LI Wah-ming, JP

Members absent : Dr Hon David CHU Yu-lin, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon LEUNG Fu-wah, MH, JP
Hon WONG Sing-chi

**Public Officers
attending** : **Agenda Item I**
Environment, Transport and Works Bureau

Mrs Rita LAU
Permanent Secretary for the Environment, Transport and
Works

Mr Paul TANG
Deputy Secretary for the Environment, Transport and Works

Mr S M LI
Senior Engineer (Transport Planning)

Highways Department

Mr C K MAK
Director of Highways

Mr WAN Man-lung
Principal Government Engineer/Railway Development

Agenda Item II

Environment, Transport and Works Bureau

Mr William SHIU
Principal Assistant Secretary for the Environment, Transport and Works

Mr K M WOO
Chief Inspecting Officer (Railways)

Transport Department

Miss Alice AU YEUNG
Principal Transport Officer/Bus & Railway

Attendance by invitation

: Agenda Item I

Kowloon-Canton Railway Corporation

Mr James BLAKE
Senior Director, Capital Projects

Mr Kenneth LEUNG
Director, New Railways Projects

Agenda Item II

MTR Corporation Limited

Mr Eric HUI
Head of Operations

Mr Adi LAU
Operations Manager (Lantau Airport Railway)

Miss Maggie SO
External Affairs Manager

Clerk in attendance : Mr Andy LAU
Chief Assistant Secretary (1)2

Staff in attendance : Ms Alice AU
Senior Assistant Secretary (1)5

Miss Winnie CHENG
Legislative Assistant 5

Action

I Shatin to Central Link

- (LC Paper No. CB(1)2493/02-03(01) - Information paper provided by the Administration;
LC Paper No. CB(1)2490/02-03 - Background brief on Shatin to Central Link prepared by the Secretariat)

The Chairman recapped that in view of recent reports in the media that the Administration was considering revising the design and implementation of the Shatin to Central Link (SCL) project by adopting the East Rail (ER) across the harbour option, members had held urgent discussion on the item "Latest planning of the Shatin to Central Link" at the last Transport Panel meeting held on 1 August 2003. To allow for more thorough discussion, the Panel had referred the matter to the Subcommittee for follow up.

2. The Chairman drew members' attention to the submission dated 29 September 2003 from Whampoa Garden Section Owners Committee which was tabled at the meeting.

(Post-meeting note: The submission was subsequently issued to members vide LC Paper No. CB(1)2532/02-03(01).)

Action

3. The Deputy Secretary for the Environment, Transport and Works (DS for ETW) introduced the information paper provided by the Administration (LC Paper No. CB(1)2493/02-03(01)) on the subject matter.

4. Mr CHENG Kar-foo reiterated his concern that the Administration's move to inform the media and not the Transport Panel or the Subcommittee of such major developments in the planning for SCL was clearly not conducive to improving the relationship between the Executive and the Legislature.

5. In reply, DS for ETW stressed that no decision had been made to any changes to the SCL project as the scheme review by the Kowloon-Canton Railway Corporation (KCRC) was still underway. However, in view of members' concern, the Administration had decided to take the opportunity to brief members on the latest development in the planning of the project.

Provision of Admiralty Station and rail service in Tsz Wan Shan

6. Mr Fred LI sought clarification about the proposed changes to be made in the provision of SCL Admiralty Station and rail service in Tsz Wan Shan. As the Tamar Development project was still being put on hold, he queried whether it would be premature to proceed with the relocation of SCL Admiralty Station from Tamar to the east of the existing Admiralty Station of the Island Line. As regards the suggestion of using an Automated People Mover (APM) system to connect the Tsz Wan Shan area with the main line, Mr LI asked whether the APM would provide adequate capacity to meet the need of local residents.

7. As far as the planning for SCL Admiralty Station was concerned, DS for ETW explained that the Administration was still considering the Tamar Development project. Taking into account the security requirement that no railway station or tunnel should be located underneath the new Central Government Complex and LegCo Complex, SCL station would not be provided at Tamar. KCRC's current planning for the SCL project was made on that basis.

8. On the provision of rail service in Tsz Wan Shan area, Mr James BLAKE, the Senior Director/Capital Projects of KCRC (SD/CP, KCRC), advised that the technical difficulties of providing a main heavy rail station well underneath the ground in Tsz Wan Shan would render the whole undertaking extremely difficult and expensive. Apart from having significant delay impact on the programme, the station might have other safety impact. Hence, the Corporation concluded that it would be better to provide an alternative form of transport link in the area into Diamond Hill Station. Being a light rail system similar to that being used in the Airport, the proposed APM could handle up to 20 000 to 40 000 passengers per hour depending on the type and configuration. He assured members that based on the Corporation's studies, the APM would be adequate to cope with the demand as the area would also be served by other forms of public transport.

Action

East Rail (ER) across the harbour option

9. Mr CHENG Kar-foo said that while the Second Railway Development Study had identified two alternatives in providing the Fourth Harbour Crossing (FHC), i.e. either extending ER or East Kowloon Line (EKL) across the harbour, the Administration had made a conscious decision to exclude the ER-FHC option when formally adopting the Railway Development Strategy 2000 (RDS-2000) to provide the planning framework for further expansion of Hong Kong's railway network. It was on this basis that the Conforming Proposal of SCL was drawn up to allow for competitive bidding by the two railway corporations. It would be a major change from the original tender conditions if the Administration decided to adopt the defunct ER-FHC option after the award. This move was clearly a violation of the principle of fairness in tendering. Moreover, he was worried that this could give rise to possible claim for compensation from the MTR Corporation Limited (MTRCL) for losses incurred from preparing its tender proposals. Taking all these into account, Mr CHENG was strongly of the view that the Administration should stick to extending EKL to provide FHC and avoid any further delay to the SCL project.

10. Concurring with the need to expedite progress of the SCL project so as to provide relief to the overcrowding situation at KCR Tai Wai Station after the commissioning of MOS Rail, Mr LAU Kong-wah said that the Administration's decision to re-consider the ER-FHC option represented a major departure from the original planning of SCL as it was intended to provide through train service for passengers in Ma On Shan (MOS) via the Ma On Shan to Tai Wai Rail Link (MOS Rail) to the Central Business District of Hong Kong Island. That was indeed what the Administration had promised to both members and the public when seeking funding approval from the Finance Committee to inject \$8.5 billion to KCRC for the construction of MOS Rail. This was also what gave KCRC a competitive edge over MTRCL when bidding for SCL. Stressing the importance of this synergy in ensuring the financial viability of MOS Rail, Mr LAU cautioned the Administration to carefully consider the public interest at stake in terms of the overall cost-effectiveness of the KCR network as well as the impact such a change would have on the population in both MOS and South East Kowloon.

11. Conveying the general view of the engineering professionals, Ir Dr Raymond HO said that the Administration's decision to invite KCRC to re-consider the ER-FHC option after the award had already aroused grave concern both locally and internationally as to whether the Administration had adhered to the principles of tendering for public works projects. In this connection, it might be helpful if the Administration could provide the relevant guidelines of the Central Tender Board to members for reference. In view of the public interest at stake, he was also dissatisfied that the Secretary for the Environment, Transport and Works had not attended the meeting to answer the questions from members.

12. Mr Albert CHAN considered that the need to re-consider the ER-FHC option arose as a result of the Administration's decision not to allow any railway station or tunnel underneath the Tamar Development. He was dissatisfied that such a change

Action

was made arbitrarily without any regard to the transport need of the community.

13. In reply, DS for ETW explained that SCL was awarded to KCRC based on the Conforming Scheme as stipulated in the SCL Project Brief. The Project Brief also provided that after the award, the awardee was allowed to propose changes or additional details to arrive at the Final Scheme for SCL. As a prudent commercial corporation, KCRC should ensure the project's financial viability by yielding the maximum benefits. To this end, KCRC was revisiting and validating the various project assumptions and planning parameters in order to arrive at the most optimum scheme taking into account its rail configuration and the requirements stipulated in the SCL Project Brief. The feasibility of extending ER from Hung Hom to Central (West) via Admiralty and Exhibition while building a new line to connect Tai Wai to Hung Hom via East Kowloon was being examined in this context. With the ER across the harbour option, cross boundary passengers and ER passengers could have a direct access to Hong Kong Island. This might in turn bring in additional fare revenue for the Corporation.

14. Responding to members' comments about the tender award, DS for ETW reiterated that the scheme review was allowed under the SCL Project Brief. As such, the Administration had not breached any tender requirements. This stance was also confirmed by the Government's legal opinion. The Director of Highways also said that while the Conforming Proposal was adopted for the purpose of tender assessment and evaluation, the SCL Project Brief had clearly provided for the use of alternative design after the award had been made. Given the changes in planning assumptions, the Administration was now trying to come up with the optimum design scheme to serve the best interest of the community. Nonetheless, DS for ETW reiterated that the Administration had yet to make a decision on any changes as KCRC was still reviewing the SCL proposal taking into account various technical, financial and operational aspects. The concern raised by the members about the implication on MOS Rail's operation would also be considered.

15. Ir Dr Raymond HO however remained unconvinced by the Administration's explanation. He said that an alternative design could only be accepted after the award if the same had been submitted together with the original tender. The present case was different in that the ER-FHC option was expressly excluded from the Conforming Proposal.

16. Noting members' concern about the progress of the project, the Permanent Secretary for the Environment, Transport and Works (PSET) stated that under the current programme, KCRC's final scheme design was already at an advanced stage and would be completed around the end of the year. Assuring members of the importance the Administration attached to the SCL project, she hoped that members could stop dwelling on hypothetical legal issues and allow the Administration to proceed with finalizing the design scheme as soon as possible. PSET also said that despite the additional work to institute further planning and validation, the SCL project was still programmed to be completed within the window of 2008-2011 as recommended by RDS-2000.

Action

17. The Chairman however pointed out that the Administration had yet to convince members that the services provided under the ER-FHC option, if adopted, were indeed the most appropriate to meet the demand of the people. Notwithstanding members' concern about the early implementation of SCL, the Administration should not try to push through its decision without providing convincing justification to members.

18. PSET clarified that she was merely conveying the Administration's intention to complete the tasks at hand as early as possible so that the project would proceed accordingly. The Administration would carefully take into account the views and concerns expressed by members when considering the final design scheme proposed by KCRC. The Administration would also make arrangement to brief members on the outcome before a final decision was made.

19. In reply to the Chairman, SD/CP, KCRC confirmed that the scheme review was near completion and the Corporation was in the final stage of discussion with the Administration on the details. When completed, the scheme design of SCL would be presented to the Managing Board for consideration. However, he could not speak on the timetable of the Managing Board's decision.

20. Mr CHENG Kar-foo was unconvinced by the Administration's explanation. On behalf of Legislative Council Members of the Democratic Party, he maintained that any improvements to be made to the schematic design of SCL must be limited within the scope of extending EKL across the harbour. To contemplate other changes involving the ER-FHC option would be a breach of the principles of tendering. It would also reflect very badly on the Government's commitment to upholding law and order in Hong Kong. To facilitate members' consideration of the matter, he suggested that the Legal Service Division should be requested to provide a paper setting out the legal implications of the Administration's possible move to adopt the ER-FHC option, which was a fundamental departure from the Conforming Scheme as stipulated in the SCL Project Brief, after the completion of the tender exercise.

21. Summing up the discussion, the Chairman said that members had expressed strong reservation about the Administration's decision to re-consider the ER-FHC option from the transport planning as well as financial perspectives, particularly taking into account the on-going MOS Rail project. In considering the matter, the Administration should take into account the concern and strong reservation expressed by members at the meeting. She also invited the Administration to make use of its directorship in KCRC and convey members' views to the Managing Board for consideration. Should the Administration decide to adopt the ER-FHC option, it must clearly account for its decision to both members and the public.

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22. After deliberation, members agreed that the Administration should revert to the Subcommittee in one to two months' time on its decision as to whether the extension of ER of EKL would be adopted for SCL in providing FHC. Subject to the Administration's report, the Subcommittee would decide on further follow-up actions to be taken. In view of the public interest at stake, the matter might need to be

Action

reported to the Panel for consideration.

II Airport Railway Service Disruption on 27 July 2003

- (LC Paper No. CB(1)2493/02-03(02) - Information paper provided by the Administration;
- LC Paper No. CB(1)2335/02-03(04) - Information paper provided by the Administration for the meeting on 1 August 2003; and
- LC Paper No. CB(1)2335/02-03(05) - Information paper provided by the MTR Corporation Limited for the meeting on 1 August 2003)

23. The Principal Assistant Secretary for the Environment, Transport and Works (PAS for ETW) introduced the Administration's paper on the subject matter (LC Paper No. CB(1)2493/02-03(02)) which provided further information on the investigation outcome of the Airport Railway (AR) service disruption incident on 27 July 2003. The paper also set out the response to members' questions raised at the Panel meeting on 1 August 2003.

24. Mr Eric HUI, Head of Operations of the MTR Corporation Limited (HO/MTRCL), apologized to members and the public for the inconvenience caused as a result of the service disruption incident. Emphasizing the importance MTRCL attached to railway safety, he said that the Corporation had carried out detailed investigation after the incident, and submitted its report to the Administration (Annex A to the Administration's paper). Apart from identifying the cause of the service disruption, a number of further improvements had been recommended. The Corporation would implement the necessary measures to achieve further improvement.

25. Addressing the concern raised by members at the last Panel meeting on 1 August 2003 in relation to the performance and maintenance of AR, HO/MTRCL said that AR's performance had been improving as seen from the decreasing number of major incidents. The Corporation had been able to meet all Performance Requirements for the Airport Express Line (AEL) and MTR Tung Chung Line (TCL) stipulated in the Operating Agreement (OA) since it took effect in June 2000. In 2003, up to July, MTRCL achieved a performance level of over 99% for "train service delivery", "train punctuality" and "passengers journey on time" for both AEL and TCL. As regards the standard of out-sourced maintenance works, HO/MTRCL assured members that the same requirements and standards were adopted for maintenance works either carried out by MTRCL staff or contractors so as to ensure delivery of safe and high quality services to passengers. HO/MTRCL further clarified that the defective component in question was newly installed and was not related to any outsourced maintenance works.

26. Referring to the occurrence of 10 major incidents over 5 years which added up to more than 30 hours of service suspension since AR was commissioned in 1998, Mr CHENG Kar-foo queried the efficacy of the existing Performance Requirements in the

Action

Admin

OA which utterly failed to measure the real performance of MTR service as reflected by the inconvenience caused to the passengers during service disruptions. He said that while such an unsatisfactory level of performance was absolutely no cause for complacency by the Corporation, the Administration should, in its role as the Regulator, seriously consider his suggestion of setting an additional performance requirement on train service disruption in the OA so as to ensure the proper safeguard of public interest. Without such an indicator, it would be very difficult for the Chief Executive in Council to exercise its statutory powers to impose penalty for serious service failure if and when necessary. He reiterated his view that MTRCL should offer fare discounts on AR as a gesture of goodwill to make up for the inconvenience caused to the travelling public.

27. In response, PAS for ETW assured members that each and every service disruption incident was taken seriously by the Administration. The Hong Kong Railway Inspectorate (HKRI) would ensure that the causes of any major incidents were identified and that all necessary remedial and improvement measures were taken correspondingly.

28. PAS for ETW further said that the current Performance Requirements in the OA were useful indicators of MTRCL's train service standards and they were in line with international practice. The Performance Requirements and MTRCL's actual performance were reviewed by the Commissioner for Transport each year. Among the requirements, train service delivery, passenger journeys on time and train punctuality were considered to be appropriate standards for measuring train service levels of MTRCL. In particular, train service delivery, a measure of actual train trips run by MTRCL against train trips scheduled, already served the purpose of an indication on train breakdowns.

29. Referring to the occurrence of major AR service disruptions as a result of problems in the power supply or signalling systems, Mr LAU Kong-wah queried whether it might be indicative of any systemic failure of these two critical systems. In this connection, he also asked whether the related repair and maintenance works were carried out by the contractor or at the Corporation's own cost. Referring to the KCR East Rail (ER) which was also an open air railway, he asked whether the HKRI had assessed the performance of AR against ER's in relation to problems with the overhead lines.

30. In reply, the Chief Inspecting Officer (Railways) said that major AR incidents involving problems with the overhead line equipment happened during AR's initial operation. After taking time for the system to run it, no similar problems had occurred in recent years. Having reviewed the related incidents, HKRI was satisfied that improvements had been made to prevent recurrence. As ER began its electrified operation in the 1980's, no relevant data was available to compare the performance of the overhead line equipment of the two railways during their initial operation. To supplement, HO/MTRCL assured members that every service disruption was taken seriously by the Corporation so that technical improvements could be made accordingly.

Action

31. Notwithstanding the explanation given, Mr LAU Kong-wah maintained that it was incumbent upon the Transport Department (TD) to closely monitor the performance of AR in terms of service reliability. It was highly unsatisfactory that major incidents causing prolonged service suspension kept happening on AR.

32. Referring to the passengers' reliance on AR to transport them to the Airport on time, Mr TAM Yiu-chung stressed the need for the Corporation to make arrangements for the timely and adequate provision of emergency transport services in case of any service disruption. To this end, he considered that a relevant performance indicator might be required.

33. HO/MTRCL explained that during any train service disruption, it would be very difficult to rely on emergency buses alone to substitute train service. It was also very difficult to mobilize a large number of emergency buses within a short time, particularly during the initial period of train service suspension. As soon as substantial service delay was anticipated, the Corporation would inform the Emergency Transport Co-ordination Centre of TD in accordance with the established alert system. The Corporation would also immediately trigger emergency bus service by using the Airport Express Line shuttle buses as well as those provided by the Public Omni-bus Operations Association. For the latter, the arrangement was that certain emergency buses would be despatched within 30 minutes. In this respect, Mr TAM Yiu-chung opined that it would be most important to ensure that the stranded passengers were notified about the timing of emergency bus services.

34. Expressing grave concern about the performance of AR, Mr Albert CHAN considered that in case of service disruption, the Administration should request for assistance from franchised bus operators to provide emergency transport services. In reply, the Principal Transport Officer/Bus & Railway said that after the incident, the Administration had reviewed the provision of emergency transport services with the Corporation. Under TD's current arrangement with franchised bus companies, some existing franchised bus routes would be diverted to operate via AEL and TCL stations to serve stranded railway passengers when the situation required. In this connection, the temporary pick-up/set down arrangements had also been reviewed and made known to the relevant service providers.

35. Notwithstanding the Administration's reply, Mr Albert CHAN considered that there might still be room for further improvement in this regard. To facilitate members' understanding, he requested the Administration to provide detailed information on the provision of emergency transport services for AEL and TCL stations during service disruptions, including the timing and capacity of such services to be provided by various public transport operators.

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III Any other business

36. There being no other business, the meeting ended at 6:25 pm.

Council Business Division 1
Legislative Council Secretariat
3 November 2003