

立法會
Legislative Council

LC Paper No. CB(1)1374/07-08
(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
Thursday, 27 March 2008, at 8:30 am
in Conference Room A of the Legislative Council Building

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

Mrs Hedy CHU
Principal Assistant Secretary for Transport and Housing

Mr K M WOO
Assistant Director/Railways
Electrical & Mechanical Services Department

Agenda item V

Ms Eva CHENG
Secretary for Transport and Housing

Mr Philip YUNG
Deputy Secretary for Transport and Housing

Mr M L WAN
Principal Government Engineer/Railway Development
Highways Department

Mr Clement LEUNG
Deputy Secretary for Financial Services and
the Treasury

**Attendance by
invitation**

: Agenda item IV

MTR Corporation Limited

Mr Y T LI
Deputy Director – Operations

Miss Ida LEUNG
Senior Manager – External Affairs

Miss Maggie SO
Senior Manager – Projects and Property Communications

Agenda item V

MTR Corporation Limited

Mr Malcolm GIBSON
Head of Project Engineering

Miss Maggie SO
Senior Manager – Projects and Property Communications

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

Staff in attendance : Mr Noel SUNG
Senior Council Secretary (1)4

Ms Angel SHEK
Council Secretary (1)2

Miss Winnie CHENG
Legislative Assistant (1)5

Action

I Confirmation of minutes of meeting and matters arising
(LC Paper No. CB(1)954/07-08 - Minutes of meeting held on
11 January 2008)

The minutes of the meeting held on 11 January 2008 were confirmed.

II Information papers issued since last meeting

(LC Paper No. CB(1)614/07-08(01)	- Submission on South Island Line from a resident of Southern District
LC Paper No. CB(1)759/07-08(01)	- Administration's paper on South Island Line, responding to the submission from a resident of Southern District
LC Paper No. CB(1)695/07-08(01)	- Hon WONG Kwok-hing's letter requesting the Subcommittee to follow up on the East Rail rail crack incidents
LC Paper No. CB(1)695/07-08(02)	- Administration's paper on East Rail rail crack incidents
LC Paper No. CB(1)817/07-08(01)	- Administration's letter on East Rail rail crack incidents
LC Paper No. CB(1)817/07-08(02)	- Paper from MTR Corporation Limited on East Rail rail crack incidents)

2. Members noted the information papers issued since last meeting.

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III Items for discussion at the next meeting scheduled for 2 May 2008

(LC Paper No. CB(1)1036/07-08(01) - List of outstanding items for discussion

LC Paper No. CB(1)1036/07-08(02) - List of follow-up actions)

3. Members agreed to discuss the following items at the meeting scheduled for 2 May 2008:

(a) East Rail rail crack incidents; and

(b) South Island Line (SIL).

IV Follow-up on matters raised by the Bills Committee on Rail Merger Bill

- Enhancing in-train dissemination of information to passengers
- Improving the air flow at platforms of non-enclosed stations
- Providing public toilets at railway stations
- Retrofitting of automatic platform gates at at-grade and aboveground stations

(Annex 2 to LC Paper No. CB(1)545/07-08(01) - Administration's letter on progress update on matters arising from the Rail Merger Bill, attaching a paper from MTR Corporation Limited on the progress of the related matters (Annex 2)

LC Paper No. CB(1)2058/06-07(02) - Paper from the MTR Corporation Limited on provision of public toilets in MTR railway stations

LC Paper No. CB(1)1037/07-08 - Paper on certain matters raised by the Bills Committee on Rail Merger Bill prepared by the Legislative Council Secretariat (Background brief))

Provision of public toilets

4. Dr Fernando CHEUNG queried the criteria for provision of public toilets at railway stations, pointing out that the elderly and persons with disabilities, particularly mobility handicapped persons might have difficulty in accessing the public toilets within 200 metres or at a normal walking distance of four minutes from a railway station. Dr CHEUNG requested that separate toilet cubicles for wheelchair-bound persons be provided at railway stations.

5. Mr Andrew CHENG opined that the technical difficulties for provision of public toilets in existing railway stations were not insurmountable, and hence, MTR Corporation Limited (MTRCL) should make an effort to provide public toilets at all

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railway stations.

6. Miss TAM Heung-man was concerned that notices at station platforms and concourses which provided information to passengers on the availability of staff toilets for public use were inadequate. She was also concerned that a passenger who wished to use a public toilet outside the paid area of a MTR station would have to pay again when he returned to the MTR system to continue his journey. She therefore considered that MTRCL should provide public toilets inside railway stations.

Admin
MTRCL

7. Mr LAU Kong-wah was of the view that staff toilets in the existing railway stations could be converted so that members of the public could directly access the toilets without going through the controlled areas of MTRCL. He requested MTRCL to arrange for the Subcommittee a visit to the staff toilets in railway stations, with a view to exploring ways to renovate the toilets to facilitate public access.

8. Mr Ronny TONG doubted whether public toilets could not be provided in any of the existing MTR stations. He opined that the Government, as the majority shareholder of MTRCL, should exert pressure on the company to provide public toilets inside railway stations.

Enhancing in-train dissemination of information to passengers

9. Mr Andrew CHENG, Mr WONG Kwok-hing and Ir Dr Raymond HO opined that MTRCL should provide radio reception service on board its trains and inside MTR stations, in addition to the WiFi, 3G and MTRCL's broadcasting systems.

Retrofitting of platform screen doors (PSDs)/automatic platform gates (APGs) at at-grade and aboveground stations

10. Mr WONG Kwok-hing, Ir Dr Raymond HO and Mr Andrew CHENG requested that, in view of the many fatal and injury cases involving passengers falling from platforms onto railway tracks, PSDs and/or APGs should be installed at all railway stations as soon as possible, and before the proposed timing of 2012/2013. Mr CHENG was dissatisfied that MTRCL would continue to charge passengers for funding the PSD/APG installation programme.

11. Mr Albert HO was of the view that consideration should be given to installing PSD/APGs, or alternatively, railings at Light Rail stations so as to enhance passenger safety, especially for the visually impaired passengers.

Follow-up actions by the Administration and MTRCL

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12. After deliberation, the Administration and the MTRCL were requested to:

- (a) arrange for the Subcommittee a visit to the staff toilets in underground railway stations with a view to exploring ways to renovate the toilets so as to facilitate public access to staff toilets;
- (b) put up additional signage and notices at conspicuous locations in railway

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stations to guide users to staff toilets; and

- (c) provide a paper for the Subcommittee meeting on 2 May 2008 on ways to shorten the time for installation of APGs at eight above-ground/at-grade stations.

V Shatin to Central Link and MTR Kwun Tong Line Extension

- (File Ref.: THB(T) CR 10/1016/99 - Administration's paper on Shatin to Central Link and MTR Kwun Tong Line Extension (Legislative Council Brief)
- LC Paper No. CB(1)1036/07-08(03) - Administration's paper on Funding application for the design of the Shatin to Central Link
- LC Paper No. CB(1)1036/07-08(04) - Submission on Shatin to Central Link from a member of the public
- LC Paper No. CB(1)1038/07-08 - Paper on Shatin to Central Link and MTR Kwun Tong Line Extension prepared by the Legislative Council Secretariat (Background brief))

13. Whilst generally supporting the construction of Shatin to Central Link (SCL), some members expressed doubt about the need for the Government to fund the SCL project as the former Kowloon-Canton Railway Corporation (KCRC) had undertaken to build SCL without Government funding support. The following concerns were raised at the meeting:

- (a) Mr WONG Kwok-hing, Mr LAU Kong-wah and Mr Andrew CHENG were of the view that since the Government would bear the costs for the implementation of SCL, it should have a say in determining the fare level of SCL. Mr LAU Kong-wah was concerned about the determination of payment for the service concession and the sharing ratio of actual revenue generated from SCL between Government and MTRCL.
- (b) Mr HO Chun-yan was concerned about the Government's inconsistency in its policy for funding railway projects, e.g. the Government adopted the "concession approach" in building SCL whereas provided financial support, in the form of property development rights, to MTRCL to fill the funding gap for the construction of South Island Line.
- (c) Ms CHAN Yuen-han and Ms TAM Heung-man were concerned that the property development above the SCL depot at Diamond Hill would create a wall effect to the nearby residents, and the depot might cause noise nuisance to the residents and damage to the heritage structures in the vicinity. Ms CHAN Yuen-han queried why the SCL depot had to be built on such a large area of about 7.2 hectares, affecting the three heritage structures in the area.

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- (d) Mr Jeffrey LAM was concerned that the court ruling regarding the reclamation works for the Central-Wan Chai Bypass project might affect the SCL project. Mr LAM opined that the Government should consider providing an additional SCL station at northern Causeway Bay to facilitate tourists and commuters.
- (e) There was also concern that SCL had to be completed by two phases and some members considered that the two sections (i.e. Tai Wai to Hung Hom section and the cross harbour section) should be built in one go.
- (f) Ir Dr Raymond HO remarked that as a number of ground works had already been done, the Government should speed up the planning and delivery of SCL for completion of the two sections of SCL before 2015 and 2019 respectively.

Admin 14. After deliberation, the Administration and MTRCL were requested to:

- (a) provide information regarding the bases for determining the ratio for sharing the revenue from SCL between the Government and MTRCL; and
- (b) expedite the SCL project so that it could be completed before 2019.

VI Any other business

15. There being no other business, the meeting ended at 10:50 am.

Panel on Transport

Subcommittee on Matters Relating to Railways

**Proceedings of the meeting
on Thursday, 27 March 2008, at 8:30 am
in Conference Room A of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
<i>Agenda Item I – Confirmation of minutes and matters arising</i>			
000409– 000424	Chairman	Confirmation of minutes of the meeting held on 11 January 2008.	
<i>Agenda Item II – Information papers issued since last meeting</i>			
000425	Members	Members noted the information papers issued since last meeting.	
<i>Agenda Item III – Items for discussion at the next meeting</i>			
000627 – 000745	Mr WONG Kwok-hing Chairman	Matters to be discussed at the next meeting	
<i>Agenda Item IV – Follow-up on matters raised by the Bills Committee on Rail Merger Bill</i>			
000746 – 001526	Chairman MTRCL	MTRCL's Powerpoint presentation regarding matters raised at the Bills Committee on Rail Merger Bill.	
001527 – 002114	Dr Fernando CHEUNG Chairman MTRCL	<p>Dr CHEUNG queried about the criteria for provision of public toilets at railway stations. He pointed out that although public toilets might be available within 200 metres or within a walking distance of four minutes from a railway station, the elderly and the mobility handicapped persons particularly wheelchair-bound persons would have difficulty walking to the toilet, especially when they had to use a staircase to access the toilet. Independent toilet cubicles had to be provided for mobility handicapped persons outside public toilets so that other people might help them to the toilet if necessary.</p> <p>MTRCL responded that there were technical difficulties in retrofitting public toilets in existing railway stations. These included the low capacity of the station sewage system, proximity of high voltage equipment, the need for a separate ventilation system, and the spatial requirement for passenger flow. MTRCL's plan was to provide public toilets at street level of three stations, namely, Prince Edward, Ngau Tau Kok and Quarry Bay which did not have public toilets within 200metres of the stations.</p>	

Time marker	Speaker	Subject(s)	Action required
002115 – 003258	Mr WONG Kwok-hing MTRCL Ir Dr Raymond HO Administration	<p>Mr WONG was concerned about the time-table for retrofitting of automatic platform gates (APGs) at at-grade and aboveground railway stations, as it involved passenger safety. He requested that MTRCL should expedite the installation works. Mr WONG was also concerned about the provision of radio reception service on board MTR trains and at railway stations.</p> <p>MTRCL responded that tenders for installation of APGs at the eight at-grade and aboveground stations of the former MTR railway lines would be called for in 2008. The design and testing of the APGs would be carried out in 2009 and installation works were expected to start from 2010 and be completed in 2012 for the eight stations. MTRCL pointed out that as the loading of the platform edges had to be reinforced before APGs could be installed, trials had to be carried out at the stations before full installation works could commence. Moreover, retrofitting works could only be carried out during night time and measures had to be taken to avoid causing noise nuisance to the neighbouring residents. Efforts would be made to expedite the works. As regards radio broadcast inside MTR trains, the pre-merger MTRCL had estimated that the investment costs for provision of radio broadcast of seven commercial radio FM channels was about \$100 million. In addition to the existing broadcasting system, WiFi and 3G facilities were already available on some railway lines. MTRCL was considering to provide such facilities on other railway lines and inside train compartment.</p> <p>Ir Dr Raymond HO enquired about the possibility of standardizing the width of different types of trains using the East Rail so that the gap between trains and platforms could be narrowed. Ir Dr HO requested that MTRCL should shorten the time for installation of platform screen doors (PSDs) and APGs. Ir Dr HO opined that despite the high costs, radio broadcast facilities should be provided in MTR trains.</p> <p>MTRCL responded that in view of the</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>many different types of trains using the East Rail, including through trains from different parts of the Mainland, the cargo trains etc., it would not be possible to standardize the width of the trains. Subject to the success of the trials of the mechanical gap fillers (MGF), MTRCL would consider to install MGF at other curved platforms on the East Rail Line. MTRCL pointed out that in addition to the company's public broadcasting system, electronic information display system (EIDS) was provided in most of MTR trains which were able to disseminate essential information to passengers. The Tung Chung Line and Disney Resort Line would be retrofitted with such display systems shortly during the overhaul programme.</p>	
003259 – 003857	Mr Andrew CHENG Administration MTRCL	<p>Mr CHENG remarked that in view of many fatal cases involving passengers falling from railway platforms in the past years, it was imperative that MTRCL should install PSDs/APGs at all railway stations as soon as possible. Mr CHENG was dissatisfied that MTRCL would continue to charge passengers of \$0.1 per journey for funding the PSD/APG installation programme. Mr CHENG opined that the technical difficulties for provision of public toilets in existing railway stations were not insurmountable, and it was the duty of MTRCL to provide public toilets in all railway stations.</p> <p>The Deputy Secretary for Transport and Housing (DS/TH) responded that retrofitting of PSD and APGs at railway stations would cost about \$300 million, which was not foreseen during the construction of the railway lines concerned. MTRCL would pay for half of the installation costs, whereas the other half of the costs would be recovered from the extra 10 cents to be paid by passengers. MTRCL reiterated that there were many technical difficulties in providing public toilets in existing railway stations which were built more than 20 years ago. Where no existing public toilets were available, MTRCL would try to provide toilets at street level for stations where public toilets could not be found within 200 metres.</p>	

Time marker	Speaker	Subject(s)	Action required
003858 – 004423	Miss TAM Heung-man MTRCL	<p>Ms TAM was concerned that there was insufficient signage and notices in station concourses and platforms to guide users to staff toilets. Ms TAM was also concerned that a passenger would have to pay twice if he had to leave the ticket gate for accessing a public toilet outside the station and returned to the MTR system to continue his journey. She asked whether under such a situation, MTRCL would refund the difference in fare to the passenger.</p> <p>MTRCL responded that arrangement would be made to put up additional signage and notices at conspicuous locations of railway stations to guide users to staff toilets. Where necessary, passengers might use staff toilets inside railway stations.</p>	MTRCL undertook to review and consider measures for improvement.
004424 – 005636	Mr LAU Kong-wah Mr Albert HO MTRCL	<p>Mr LAU Kong-wah opined that staff toilets in the existing railway stations could be converted so that members of the public could gain direct access to these facilities when necessary without going through the controlled areas of MTRCL. He suggested that MTRCL should arrange for the Subcommittee a visit to staff toilets in railway stations, with a view to exploring ways to renovate the toilets to facilitate public access.</p> <p>Mr Albert HO was of the view that consideration should be given to installing PSD/APGs, or alternatively, railings at stations of the Light Rail system so as to protect passenger safety, especially the visually impaired passengers.</p> <p>MTRCL responded that there were technical difficulties in installing PSD/APGs and/or railings at stations of the Light Rail, as there were many routes passing one station. APG was not a standard provision for Light Rail. After consultation with the relevant associations for the visually impaired, guiding paths would be built for the visually impaired at all Light Rail stations.</p>	MTRCL undertook to arrange for the Subcommittee a visit to staff toilets in railway stations.
005637 – 010220	Mr Ronny TONG Admin	Mr TONG asked about the Government's policy regarding the provision of public toilets at public transport facilities, and whether, as a majority shareholder of MTRCL, the Government had exerted its	

Time marker	Speaker	Subject(s)	Action required
		<p>power to press for the provision of public toilets in MTR railway stations.</p> <p>DS/TH responded that like all underground railway systems in the world, public toilet was not a standard provision in underground railway stations. This was because the journeys involved were relatively short and public toilets were usually available near railway stations. The high costs for building the underground stations, and the technical difficulties involved in provision of public toilets in underground stations were also factors to be considered. Given the design of the existing MTR stations, there were difficulties in providing public toilets without affecting the safe operation of the railway lines, and MTRCL had agreed to allow passengers to use the staff toilets when necessary, and provide on-street public toilets near the railway stations. Notwithstanding the technical difficulties and high costs involved, MTRCL had undertaken to provide public toilets in stations of all the new railway lines.</p>	
010221 – 010726	Mr WONG Kwok-hing MTRCL Administration	<p>Mr WONG opined that MTRCL should at least arrange broadcasting of the RTHK programmes on board its trains.</p> <p>MTRCL reiterated that the investment costs for provision of in-train radio broadcast was about \$100 million with an annual recurrent maintenance cost of about \$4 million.</p> <p>DS/TH supplemented that whether radio broadcast should be provided on board MTR trains was a commercial decision and Government would not provide funding support to MTRCL for installation of radio reception facilities. The public broadcasting systems already in place on board MTR trains should be able to disseminate messages to passengers efficiently, even during emergencies.</p>	
010727 – 011100	Mr Andrew CHENG Administration MTRCL	<p>Mr CHENG reiterated that passengers should not be continuously charged for funding the retrofitting of PSD/APG programme, which should be expedited.</p> <p>DS/TH responded that based on the Operating Agreement signed between the</p>	

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		<p>Government and MTRCL, there was an established mechanism for the company to impose charges and set fares. The surcharge of \$0.1 on passengers was made based on commercial consideration.</p> <p>MTRCL supplemented that installation works for APGs could only be carried out within three hours after MTR had ceased operation at night, and given the constraint, the installation works for all railway stations had to take one to two years.</p>	
011101 – 011435	Mr LAU Kong-wah Chairman	<p>Mr LAU asked why the installation works for all eight at-grade and aboveground stations could not be completed concurrently and within one year. Mr LAU requested that the Administration should provide a paper for the Subcommittee at the meeting on 2 May 2008 on ways to shorten the time for installation of APGs at eight above-ground/at-grade railway stations.</p> <p>MTRCL explained that upon completion of the design and other preparatory work of the APGs, tenders would be awarded in 2010. Given the contractor’s manpower constraints and availability of materials and equipment, and in consideration of the noise impact caused to surrounding areas, installation of APGs could not be carried out concurrently at all eight at-grade or aboveground stations.</p>	The Administration was requested to provide a paper for the Subcommittee at the meeting on 2 May 2008 on ways to shorten the time for installation of APGs at eight above-ground/at-grade railway stations.
011436 – 011836	Miss TAM Heung-man Administration	<p>Ms TAM queried about the role of the Government in monitoring the performance of MTRCL, in view of the fact that the railway company had turned down requests to provide essential facilities such as public toilets and radio broadcast in the railway system, and had taken a long time to provide PSD/APGs in all railway stations.</p> <p>DS/TH responded that the Government had ensured that MTRCL provided railway services in a safe and reliable manner. Over the years the company had met various performance requirements as stipulated in the Operating Agreement, and Hong Kong's rail system was considered as one of the best in the world. The Assistant Director/Railways, Electrical & Mechanical Services Department (AD/R),</p>	

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		supplemented that PSD/APGs were not standard provisions for railway systems in the world.	
<i>Agenda Item V – Shatin to Central Link and MTR Kwun Tong Line Extension</i>			
011837 – 013243	MTRCL Mr WONG Kwok-hing Administration	<p>MTRCL's briefing on the SCL project through a Powerpoint presentation.</p> <p>Mr WONG enquired as to whether PSDs/APGs, public toilets and radio reception facilities would be provided for SCL. Mr WONG also asked if the Government had the right to set the fare for SCL, and the right in developing the property above the SCL depot at Diamond Hill.</p> <p>The Secretary for Transport and Housing (STH) responded that under the rail merger, MTRCL was granted the right to access, use and operate the KCR systems under the concession approach, there would be merit in implementing the SCL under the same approach for its operation. The Government would retain the development right on top of the SCL depot. However, the development of the depot site had to be reviewed in line with the overall development of South-East Kowloon, including the height and density of buildings. STH remarked that it was too early to determine the fare level of SCL, and the existing MTR fare system had been used in working out the estimates for the project.</p> <p>MTRCL supplemented that public toilets and PSDs would be provided under the SCL project. STH added that the feasibility of providing radio reception facilities at SCL would be assessed later.</p>	
013244 – 014007	Mr Andrew CHENG Administration	Mr CHENG opined that as the Government had to spend \$37.4 billion to build SCL, it should retain the right to set the fares for the railway line. He was of the view that the total concession payment of \$91.8 billion for 50 years, was relatively low, representing a revenue of only about \$2 billion a year. Mr CHENG queried why the former KCRC had undertaken to pay for the construction costs of SCL and yet the Government had to build the railway line out of public money; and why the whole SCL could not be built in one go	

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		<p>linking up Tai Wai and Central.</p> <p>STH responded that the recent court ruling on the judicial review regarding temporary reclamation works for the Central-Wan Chai Bypass had complicated the planning for SCL. Works on the two sections of SCL (i.e. Tai Wai to Hung Hom section and the cross harbour section) would be undertaken concurrently but completed by two phases. The feasibility of providing the Central South Station had to be further examined in the light of the latest planning for the Central Government Offices after its removal to Tamar and development of other MTR lines on Hong Kong Island. STH stressed that the current SCL proposal was quite different from that submitted by the former KCRC. The Deputy Secretary for Transport and Housing (DS/TH) added that the proposal submitted by the former KCRC in 2002 was a very preliminary one and details such as the alignment, patronage and funding arrangements had yet to be further studied. A lot of changes in the SCL planning parameters had taken place since 2002, e.g. substantial modifications to the MTR system for the provision of the integrated interchange stations, interface with other major infrastructure and planning/ development along the SCL alignment, reduction of the population projection for Kai Tak, the reduction in the number of new patronage that could be generated as the existing MTR passengers diverted to SCL after its commissioning would no longer be considered as new patronage, etc. Based on the latest assessment, the Administration proposed to implement SCL through the "concession approach".</p>	
014008 – 014638	Mr Albert HO Administration	<p>Mr HO remarked that the Democratic Party supported in principle the use of the "concession approach" to build railway lines as it would be difficult to quantify the amount of Government funding support if MTRCL was granted property development rights to fill the funding gap for the implementation of railway projects. However, Mr HO was concerned that since the former KCRC had undertaken to build SCL without Government financial support, the proposed use of the "concession approach" for building SCL</p>	

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		<p>had raised public concern that the Government had released MTRCL of its obligation in funding the SCL project. Mr HO further queried the inconsistency of the Government's policy in funding railway projects, e.g. the "concession approach" was adopted for the SCL project whereas the Government filled the funding gap for the South Island Line project by granting property development rights to MTRCL.</p> <p>STH explained that under the "ownership approach", MTRCL had to bear the risks associated with the construction and operation of SCL whereas under the "concession approach", the Government had to bear the risk of receiving an income which was lower than the original estimate. The Government had to take all factors into account in deciding whether the "concession approach" or the "ownership approach" should be adopted for different railway projects. In granting property development rights to MTRCL, as mentioned before, the Government would consider whether there were sites adjacent to the railway line concerned which was suitable for development by the railway company. Meanwhile, the Government would ensure that the profits from the property development would be commensurate with the funding gap for construction of the railway line concerned.</p>	
014639 – 015338	Miss CHAN Yuen-han Administration	<p>Ms CHAN was concerned about the future development above the SCL depot at Diamond Hill and asked why the depot had to use up the whole site of about 7.2 hectares, which would affect the three heritage structures in the area. She opined that the Government should take the lead in containing the size of the depot with a view to minimizing the impact on residents in the area.</p> <p>STH responded that the development parameters of the area above the SCL depot at Diamond Hill had yet to be decided in the context of the overall development plan of South-East Kowloon. DS/TH supplemented that a separate depot had to be provided for SCL within its alignment and the site at Diamond Hill enabled the building of the depot with a</p>	

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		<p>semi-depressed design which would minimize the environment impact on the residents in the vicinity. The design of the depot had to be further studied before it was finalized. The Government would take into account the views of local residents in developing the site above the SCL depot. STH added that the proposed development of the site would go through the Town Planning Board and the public would be consulted on the project.</p>	
015339 – 015940	Miss TAM Heung-man Administration	<p>Ms TAM remarked that the relevant District Council and local residents opposed to building a railway depot at Diamond Hill. The residents were concerned about the adverse environment impact brought about by the depot and the development above the depot. She asked whether an environmental impact assessment would be carried out for the proposed depot.</p> <p>DS/TH responded that MTRCL would need to prepare an environment impact assessment report. It would also assess the impact of its work on the nearby heritage structures. Consultation with the public and the Legislative Council would continue during the planning and design stage of the depot.</p> <p>The Principal Government Engineer/Railway Development, Highways Department (PGE/RD) supplemented that a depot would be essential for SCL. The depot would be built in Diamond Hill as it could be semi-depressed under the ground, and the top of the depot would only be about 1.5 metre above Lung Cheung Road causing little impact on the surrounding environment. The depot could not be built deeper under the ground owing to the underground water risk.</p>	
015941 – 020030	Chairman Administration	<p>The Chairman enquired as to the timing for the Administration to brief the Subcommittee on the detailed design of SCL, including the depot at Diamond Hill. DS/TH responded that the detailed proposal for SCL was envisaged to be available in 2009 for discussion by members.</p>	
020031 –	Mr LAU Kong-wah	Mr LAU opined that since the Government	The Administration

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020705	Administration	<p>paid for the construction costs of SCL, it should retain the right to determine the fares of SCL. He requested that the Government should provide information regarding the bases for determining the ratio for sharing the revenue from SCL between the Government and MTRCL.</p> <p>The Deputy Secretary for Financial Services and the Treasury (DS/FST) responded that the income sharing ratio of 9:1, i.e. 90% for Government and 10% for MTRCL, for SCL was worked out after discussion between the two sides. The sharing ratio had taken into account the operating costs of SCL, the capital re-investment value and a reasonable rate of return for MTRCL. Both sides had to share the risks in the SCL project, e.g. the patronage might be higher or lower than the estimated number of passengers.</p> <p>STH added that the detailed expenditure of the project had to be worked out after the detailed design of SCL was available.</p>	<p>was requested to provide information regarding the bases for determining the ratio for sharing the revenue from SCL between the Government and MTRCL.</p>
020706 – 021223	Ir Dr Raymond HO Administration	<p>Ir Dr HO asked whether, given the ground work already done, the time for planning and design of SCL could be shortened so that the two sections of SCL could be completed before 2015 and 2019. He further asked about the progress in considering the provision of the Central South station.</p> <p>DS/TH responded that the Government would make every effort to expedite the SCL project. The Government would further explore the possibility of providing the Central South station.</p>	<p>The Administration was requested to expedite the SCL project so that it could be completed before 2019.</p>
021224 – 021826	Mr Jeffrey LAM Administration	<p>Mr LAM was concerned whether, given the court ruling regarding the reclamation works at the Wan Chai waterfront, the Government had a contingency plan to re-locate the Wan Chai Public Transport Interchange, swimming pool and playground to make way for the SCL project if the reclamation project could not be proceeded. Mr LAM further asked whether consideration would be given to providing a Causeway Bay (North) station under the SCL project to facilitate tourists and commuters.</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>STH responded that since the construction of a railway station in northern Causeway Bay would involve very extensive road diversions and cause serious traffic disruption in the area, the Government decided that Admiralty should be used as the interchange station for SCL and Island Line. The court ruling on the temporary reclamation works at the Wan Chai waterfront would cause delay to the Central-Wan Chai Bypass project, and would indirectly affect the SCL project. DS/TH supplemented that since part of the cross harbour section of SCL would overlap with the Central-Wan Chai Bypass tunnels, the Government was still evaluating the impact of the court ruling regarding the temporary reclamation works on the SCL project.</p>	
021827 – 021844	Chairman Administration	Concluding remarks	
021845 – 021941	Chairman	There being no other business, the meeting ended at 10:50 am.	