

立法會
Legislative Council

LC Paper No. CB(1)1747/07-08
(These minutes have been seen
by the Administration)

Ref: CB1/PS/1/04/1

Panel on Transport

Subcommittee on Matters Relating to Railways

**Minutes of meeting on
Friday, 2 May 2008, at 10:30 am
in the Chamber of the Legislative Council Building**

- Members present** : Hon Miriam LAU Kin-yee, GBS, JP (Chairman)
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP
Hon LAU Kong-wah, JP
Hon Andrew CHENG Kar-foo
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Albert CHAN Wai-yip
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon Ronny TONG Ka-wah, SC
- Members absent** : Hon Albert HO Chun-yan
Hon CHEUNG Hok-ming, SBS, JP
Hon TAM Heung-man
- Member attending** : Hon CHOY So-yuk, JP
- Public Officers attending** : **Agenda item III**

Mr Francis HO
Permanent Secretary for Transport and Housing
(Transport)

Mr Philip YUNG
Deputy Secretary for Transport and Housing

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

Agenda item IV

Mr Philip YUNG
Deputy Secretary for Transport and Housing

Mr Henry CHAN
Principal Assistant Secretary for Transport and Housing

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

Agenda item V

Mrs Hedy CHU
Principal Assistant Secretary for Transport and Housing

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

**Attendance by
invitation**

: Agenda item III

MTR Corporation Limited

Mr Malcolm GIBSON
Head of Project Engineering

Ms Maggie SO
Senior Manager (Projects and Property Communications)

Agenda item IV

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Mr Malcolm GIBSON
Head of Project Engineering

Ms Maggie SO
Senior Manager (Projects and Property Communications)

Agenda item V

Mr David LEUNG
General Manager – Infrastructure

Miss Ida LEUNG
Senior Manager – External Affairs

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

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

Miss Winnie CHENG
Legislative Assistant (1)5

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- I Confirmation of minutes of meeting and matters arising**
(LC Paper No. CB(1)1374/07-08 - Minutes of meeting held on
27 March 2008)

The minutes of the meeting held on 27 March 2008 were confirmed.

- II Information papers issued since last meeting**
(LC Paper No. CB(1)1252/07-08(01) - Submission on Shatin to Central
Link from a Ms KONG
LC Paper No. CB(1)1363/07-08(01) - Administration's reply to the
submission on Shatin to Central
Link from a Ms KONG)

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

- III Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link**
(THB(T)CR 1/16/581/99 - Administration's paper on Hong
Kong Section of Guangzhou -
Shenzhen - Hong Kong Express
Rail Link (Legislative Council
Brief)
LC Paper No. CB(1)1376/07-08(01) - Administration's paper on design
and site investigation for the Hong
Kong Section of

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Guangzhou-Shenzhen-Hong Kong
Express Rail Link)

3. Members expressed the following views and concerns regarding the planning and design of the Hong Kong Section of Guangzhou – Shenzhen – Hong Kong Express Rail Link (XRL) project:

- (a) Ir Dr Raymond HO expressed concern about the tendering arrangements for the project. He opined that for the consultancy and construction of mega size projects like XRL, the related works should be split into smaller contracts so as to enable a wider participation from the industry. The Chairman and Ir Dr Raymond HO expressed concern about the need and justification for providing \$156 million for engaging consultancies to assist in land administration, and another \$57 million for engaging consultants to vet the design of MTR Corporation Limited (MTRCL), assess the project cost estimate, etc. They also queried whether the provision of \$330 million, being on-cost payable to MTRCL for project planning and management, overheads and management expenses of the MTRCL for the XRL project was on the high side and whether the estimate was in line with previous contracts of similar nature. Ir Dr Raymond HO opined that for a mega size project like XRL, the Administration should not use the standard rate of 16.5% of the entrusted works for calculating the entrustment fees which would be too high. He also expressed reservation about the proposed arrangement for reimbursing MTRCL on the actual expenditure of the design and construction works undertaken under the entrustment approach which was tantamount to an open-ended commitment;
- (b) Mr Albert CHAN objected to the proposed funding arrangements for the XRL project as the public had not been consulted on the desirability of adopting the "concession approach" for implementing railway projects. Mr CHAN expressed concern that the Government had along adopted the "ownership approach" by granting property development rights to MTRCL to fill the funding gap for railway projects, and recently there was a change of policy in that the "concession approach" was adopted for development of railway projects. Mr CHAN opined that wide public consultation should be made regarding the change of funding arrangements for railway projects, as no detailed discussion or assessment on the pros and cons of the two approaches had been made during the scrutiny of the Rail Merger Bill;
- (c) Mr Albert CHAN opined that the Government had ignored the free market principles in awarding the XRL project to MTRCL without going through an open tender;
- (d) Mr Albert CHAN was of the view that the projected patronage of 99 000 a day for XRL was over optimistic in view of the availability of other cross-boundary facilities;

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- (e) Mr Albert CHAN opined that the XRL terminus should not be located in West Kowloon as passengers from the New Territories (NT) needed to travel south to the terminus and then take the XRL train to travel to Shenzhen or Guangzhou. As part of the overall transport planning strategy, the terminus of XRL should be located in Northern NT so that it could link up with the existing railway lines between the NT and the urban areas; and
- (f) The Chairman expressed concern about the need for providing adequate transport interchange facilities to facilitate passengers using the transport hub in West Kowloon where three railway termini would be located.

Admin 4. After deliberations, the Administration was requested to:

- (a) provide more detailed information regarding the different components of the items of expenditure for the XRL project in the Public Works Subcommittee (PWSC) submission, including the basis and the calculation of the entrustment fees;
- (b) provide the background to and the pros and cons of the "ownership approach" and "concession approach" for building railway projects, and an analysis of the cost-effectiveness of the two approaches in past railway projects; and
- (c) provide detailed information on the projected cross-boundary passenger traffic in 2016 at the various cross-boundary land crossings.

5. The Chairman asked the Clerk to circulate to members the relevant papers on discussion of the "ownership approach" and "concession approach" for implementation of new railway projects during the scrutiny of the Rail Merger Bill.

Clerk
to
Subcom

(Post meeting note : The relevant papers were circulated to members vide LC Paper No. CB(1)1461/07-08 on 7 May 2008.)

IV Progress update on South Island Line

(LC Paper No. CB(1)1376/07-08(02) - Administration's paper on progress report on South Island Line)

Papers issued for the meeting on 11 January 2008

- (File Ref.: THB(T)CR 17/1016/99 - Administration's paper on the Mass Transit Railway South Island Line (Legislative Council Brief)
- LC Paper No. CB(1)520/07-08(03) - Administration's paper on land use planning in Southern District and projected patronage of South Island Line (East) and assessment of impact of South Island Line (East)

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- LC Paper No. CB(1)521/07-08
- Paper on other public transport modes
 - Paper on Mass Transit Railway – South Island Line prepared by the Legislative Council Secretariat (Background brief))

6. Mr Albert CHAN expressed concern about the impact of the South Island Line (SIL) on the business of other modes of public transport serving the relevant districts.

7. Mr Tommy CHEUNG enquired about the Administration's stance on the provision of a station at Happy Valley and whether funding support from the Hong Kong Jockey Club was a prerequisite for the provision of the station. Given that the building of a Happy Valley station would inevitably lead to deferment of the SIL project, Mr CHEUNG was also concerned whether an acceptable deferment period had been set for considering the various options for a Happy Valley station. With reference to the option of building a station within the Racecourse, Mr CHEUNG opined that since the railway tunnel was only 22 m deep, the noise and vibration generated by the railway line might adversely affect the safety of the horses and riders during horse racing.

8. Mr LAU Kong-wah opined that the feasibility of constructing an underground pedestrian passage way/shopping city linking up the existing Causeway Bay station with the Racecourse should be explored with a view to relieving the traffic volume in Happy Valley during horse racing days. Mr Andrew CHENG shared Mr LAU's view and remarked that the underground passage way/shopping city proposal should be actively pursued as it would greatly improve the traffic flow in Happy Valley and the adjacent districts, especially on horse racing days.

9. Miss CHOY So-yuk expressed concern about the outcome of public consultation regarding the location of Lei Tung station and its exits, as the local residents held divergent views on the issue.

10. Members requested that the Administration should report the outcome of the feasibility study and public consultation regarding the provision of a railway station in Happy Valley under the SIL project, and construction of an underground pedestrian walkway/shopping city connecting the existing Causeway Bay station with the Racecourse.

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V 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)

11. Mr WONG Kwok-hing was of the view that consideration should be given to

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seeking compensation from the manufacturer concerned for replacing the 13 rail crossings related to the rail crack incidents.

VI The way forward

(LC Paper No. CB(1)1376/07-08(03) - List of outstanding items for discussion

LC Paper No. CB(1)1376/07-08(04) - List of follow-up actions)

12. Members noted that a report on the work of the Subcommittee in the current legislative year would be made to the Panel on Transport, and if necessary, a special meeting of the Subcommittee would be arranged to discuss on the report to be submitted by MTRCL regarding the conversion of staff toilets in MTR stations for public use.

VII Any other business

13. There being no other business, the meeting ended at 12:45 pm.

Council Business Division 1
Legislative Council Secretariat
2 June 2008

Panel on Transport

Subcommittee on Matters Relating to Railways

**Proceedings of the meeting
on Friday, 2 May 2008, at 10:30 am
in the Chamber of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
<i>Agenda Item I – Confirmation of minutes and matters arising</i>			
000000 - 000853	Chairman	Confirmation of minutes of the meeting held on 27 March 2008.	
<i>Agenda Item II – Information papers issued since last meeting</i>			
000854 - 001059	Members	Members noted the information papers issued since last meeting.	
<i>Agenda Item III – Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link</i>			
001100 - 001558	MTRCL	Presentation of project through Powerpoint.	
001559 - 002037	Ir Dr Raymond HO Administration MTRCL	<p>Ir Dr HO was pleased that a dedicated corridor would be used for the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL). He asked about the tendering arrangements for building XRL, and the number of contracts that would be put out for tender. He opined that for the consultancy and implementation of a mega size project like XRL, the works should be split into smaller contracts where practicable to facilitate participation by the industry.</p> <p>The Deputy Secretary for Transport and Housing (DS/T) advised that the Government would fund the XRL project under the "concession approach", and MTRCL would be responsible for the design, construction and operation of XRL.</p> <p>MTRCL responded that the detailed tendering arrangements had yet to be worked out, and the Company would follow the established tendering procedures to split the works contracts into small size ones.</p>	
002038 - 002353	Chairman Administration	In response to the Chairman's enquiry about the implementation of the boundary crossing facilities (BCF) for XRL and whether they would be built under the co-location arrangement to strengthen co-operation and enhance efficiency on customs and immigration clearance at the	

Time marker	Speaker	Subject(s)	Action required
		<p>new control point, the Permanent Secretary for Transport and Housing (Transport) (PS/T) explained that the Administration was studying this issue and would discuss with the Mainland authorities the possible adoption of co-location arrangements of customs, immigration and quarantine facilities in Hong Kong, and pending the outcome of the deliberation, provisions would be allowed for in the West Kowloon Terminus for its implementation. Even if the co-location arrangements could not materialize, the reserved area in West Kowloon Terminus would still be useful to cater for passenger flow.</p>	
002354 – 002627	Chairman Administration	<p>The Chairman queried about the need for 14 platforms at West Kowloon Terminus as there were only about eight to nine train departures per hour.</p> <p>DS/T explained that the XRL project had been planned from a forward looking perspective. Provisions had been made to cater for the demand of cross-boundary services between Hong Kong and various parts of the Mainland up to 2030, including through trains and trains calling also at other stations, linking up Hong Kong and provinces in the Mainland.</p>	
002628 - 003308	Chairman Administration	<p>The Chairman remarked that more detailed information should be provided to account for the proposed expenditure items in the Public Works Subcommittee (PWSC) paper.</p>	The Administration to take follow-up action.
003309 - 003424	Chairman Administration	<p>The Chairman queried about the need to engage a consultant to vet MTRCL's design, cost estimate and control procedures etc., and the justifications for making a provision of \$330 million for the on-cost payable to MTRCL (paragraph 11(a)(IV) of the draft PWSC paper).</p> <p>The Principal Government Engineer (Railway Development) (PGE(RD)) responded that as the XRL was a high speed railway line, and involved construction of long tunnels, and complicated signal systems, etc., an expert consultant's assistance was essential. As regards the on-cost payable to MTRCL, the expenses would be paid based on actual expenditure incurred.</p>	

Time marker	Speaker	Subject(s)	Action required
003425 - 004439	Mr CHAN Wai-yip	<p>Mr CHAN expressed concern that the Government used to adopt the "ownership approach" by granting property development rights to MTRCL to fill the funding gap for building railway lines, and recently there was a change of policy in that the "concession approach" was adopted for development of railway lines. Mr CHAN opined that wide public consultation should be made regarding the change of policy on the funding arrangements for railway projects, as no detailed discussion or assessment on the pros and cons of the two approaches had been made during the scrutiny of the Rail Merger Bill. Mr CHAN requested that the Administration should provide a paper regarding the assessment on the pros and cons of the "ownership approach" and "concession approach" for building railway projects, and an analysis of the cost-effectiveness of the two approaches in building past railway projects. In the absence of a review on the two approaches, Mr CHAN objected to the proposed funding arrangements for the XRL project. PS/T undertook to provide a paper regarding the two approaches for building railway projects.</p>	The Administration to take follow-up action.
004440 - 005256	Ir Dr Raymond HO Administration	<p>With reference to paragraph 11 (a) (III) and (IV) and paragraph 11(b) of the draft PWSC paper, Ir Dr HO expressed concern about the high consultancy fee and on-cost payable to MTRCL. He opined that for a mega size project like XRL, calculation of the entrustment fees should not be based on the standard rate of 16.5% of the value of the entrusted works, which was on the high side. He also expressed reservation about the arrangement to pay MTRCL its actual expenditure of the design and construction works undertaken which were tantamount to an open-ended commitment. Ir Dr HO was of the view that negotiation should be made with MTRCL to work out a reasonable amount for the on-cost payment.</p> <p>PGE(RD) explained that a land consultant had to be engaged to undertake land search and assessment of the impact of XRL on private lands, etc. The on-cost payment to MTRCL for project planning, and management, overheads and management</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>expenses would be made on a re-imburement basis according to the actual expenses incurred, although for estimate purpose, the standard ratio of 16.5% for payment of entrustment fees for construction works had been used.</p>	
005257 - 005851	Mr WONG Kwok-hing Administration	<p>In reply to Mr WONG's enquiry concerning the revenue generated from XRL, PS/T stated that MTRCL would be granted an operating right of XRL for 50 years and the total concession payment was estimated to be about \$28.1 billion, subject to further discussion with the Mainland authority regarding the fare level of XRL. The projected patronage of XRL from West Kowloon to Guangzhou and to places outside Guangzhou were estimated to be 88 000 and 11 000 passengers per day respectively.</p> <p>DS/T supplemented that the net revenue of \$28.1 billion had taken into account the operating expenditure and maintenance expenses, and a payment of roughly about 10 % of the net profit from XRL to MTRCL. Besides the concession payment to be made to the Government, the XRL would bring enormous benefits to the overall economy of Hong Kong.</p>	
005852 - 010928	Mr CHAN Wai-yip Administration	<p>Mr CHAN queried why the XRL project should be undertaken by MTRCL and was not awarded to other operators through open tender. Mr CHAN opined that the government had ignored the free market principle in awarding the project to MTRCL, and the projected patronage of 99 000 a day was over optimistic in view of the availability of other cross-boundary facilities. He was concerned that the Government might increase the fares of other cross-boundary railway lines and withdraw the services of other cross-boundary transport services in order to boost the patronage of XRL. Mr CHAN requested that the Government should provide detailed information regarding the projected cross-boundary passenger volume in 2016 at various cross-boundary control points.</p> <p>PS/T responded that since the Hong Kong section of XRL lagged behind the building schedule of the Mainland Section which</p>	The Administration to take follow-up action.

Time marker	Speaker	Subject(s)	Action required
		<p>had commenced several years ago, the project would involve close liaison with the relevant Mainland authorities, and a new operator would lack the experience and technical expertise in building a large railway project in Hong Kong within a very tight time frame, the Government considered that it was more suitable for MTRCL, which had long experience of building and operating railway lines in Hong Kong, to undertake the project.</p> <p>Mr CHAN opined that the XRL terminus should not be located in West Kowloon as passengers from the New Territories (NT) had to travel south to the terminus and then take the XRL train to travel north to Shenzhen or Guangzhou. As part of the overall transport planning strategy, the terminus of XRL should be located in Northern NT so that it could link up with the existing railway lines between the NT and the urban areas.</p>	
010929 - 011149	Chairman	The Chairman was concerned about the provision of adequate transport facilities and connecting road networks to facilitate passengers using the transport hub in West Kowloon where three railway termini would be located.	
<i>Agenda Item IV – Progress update on South Island Line</i>			
011150 - 012601	Chairman Administration MTRCL	<p>DS/T reported that since the South Island Line (SIL) project proposal was discussed by the Subcommittee in January 2008, the Government and MTRCL had been working on the preliminary design of the railway line, including the feasibility of providing a station in Happy Valley. In the planning process, consultation had been made with the stakeholders, including the District Councils concerned and local communities.</p> <p>MTRCL made a presentation, with the aid of PowerPoint, on various options for building a Happy Valley station.</p>	
012602 - 013140	Mr WONG Kwok-hing Administration MTRCL	Mr WONG remarked that the Southern and Wanchai District Councils should be consulted on the various options of the Happy Valley station with the outcome reported to the Subcommittee. Mr WONG opined that the overall railway strategy should cater for both the existing	

Time marker	Speaker	Subject(s)	Action required
		<p>and future needs of the various districts. He was of the view that a Happy Valley station within the Racecourse appeared to be the most viable option.</p> <p>DS/T responded that the relevant District Councils would continue to be consulted on the proposed options for a Happy Valley station. Such a station would have considerable implications on the implementation timetable of the project, and serious disruption to traffic during its construction. Besides, the building of a railway station within the Racecourse would require a temporary access bridge crossing the race-track which would pose high risks to horses and riders.</p> <p>The Chairman pointed out that in a letter to Mr Tommy CHEUNG which was tabled at the meeting, the Hong Kong Jockey Club had raised concern about the option of building a station within the Racecourse.</p> <p>MTRCL supplemented that there was insufficient space and headroom for building a tunnel under the Racecourse for conveyance of heavy construction equipment to the station site.</p>	
013141 - 013657	Mr CHAN Wai-yip MTRCL	<p>Mr CHAN supported the provision of a station in Happy Valley. He opined that the District Councils should be consulted on the location of the station, and the Government and MTRCL should be responsible for resolving the technical problems in building the station. Mr CHAN was concerned about the impact of the SIL on the business of other modes of public transport serving the relevant districts. Mr CHAN pointed out that in the past MTRCL had concentrated on building railway lines to serve the urban and commercial areas. He asked whether MTRCL would consider enhancing the railway services in the NT, e.g. providing additional stations for Tin Shui Wai and extending the railway line to Butterfly Bay in Tuen Mun.</p> <p>MTRCL responded that the development of railway services had to tie in with the overall development of individual districts.</p>	
013658 -	Mr Tommy CHEUNG	Mr CHEUNG asked whether the Happy	

Time marker	Speaker	Subject(s)	Action required
014300	Administration	<p>Valley station would be provided only if the Hong Kong Jockey Club agreed to meet the construction costs. Given that the building of a Happy Valley station would inevitably lead to deferment of the SIL project, Mr CHEUNG asked whether an acceptable deferment period had been set for considering the various options for a Happy Valley station.</p> <p>DS/T responded that at this stage, the Government and MTRCL had concentrated on assessing the technical feasibility and its implications in building a Happy Valley station in various locations of the district, and seeking the relevant District Councils' views on the options. The issue of the funding arrangements had yet to be examined .</p> <p>Mr CHEUNG asked whether the passage way near the car-park of the Racecourse could be used for conveyance of construction equipment.</p> <p>The Principal Assistant Sectary for Transport and Housing (PAS/T) responded that the subway passage way had headroom restriction of only 4.1 m and curvature restriction in the bend, and would not be usable for conveyance of large construction equipment like cranes and long construction materials like reinforcement bars. DS/T added that the passage way could not be widened due to the presence of other facilities on the two sides of the passage way.</p>	
014301 - 014857	Mr LAU Kong-wah Administration MTRCL	<p>Mr LAU opined that the option of building a Happy Valley station adjacent to the Hong Kong Jockey Club Grandstand appeared to be the most viable option as it would cause the least disruption to the residents and traffic in the district. He asked why the proposed station at the Grandstand would lead to a deferment of 31 months for completion of the SIL project. Mr LAU asked whether an underground pedestrian passage way/shopping city could be built from Causeway Bay station to the Racecourse so as to relieve the traffic volume in Happy Valley during horse racing days.</p> <p>DS/T responded that owing to site</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>constraints, the building of an underground passage way connecting the existing Causeway Bay MTR station with the Racecourse would involve large scale temporary traffic arrangements such as road diversion and closure. Further assessment on the technical feasibility and implications of the proposal would have to be made if it were to be pursued.</p> <p>MTRCL explained that the construction of a station at the Grandstand of the Racecourse involved very complicated construction techniques, and large scale road diversions. The station and the underground access to the station had to be built in different time period which would cause delay to the project.</p>	
014858 - 015441	Mr Andrew CHENG Administration	<p>Mr CHENG shared Mr LAU's view and remarked that the feasibility of constructing an underground passage way/shopping city connecting the existing Causeway Bay station and the Racecourse should be actively pursued as it would greatly relieve the traffic flow in Happy Valley and the adjacent districts.</p> <p>DS/T responded that the Government would further study members' proposal of constructing an underground walkway between Causeway Bay station and the Racecourse.</p>	The Administration to take follow-up action.
015442 - 020021	Miss CHOY So-yuk Administration MTRCL Chairman	<p>Miss CHOY was concerned about the outcome of public consultation regarding the location of Lei Tung station and its exits as the local residents held divergent views on the issue.</p> <p>PAS/T replied that the Government would further consult the relevant District Councils and local communities, and review the design of the Lei Tung station, which would not cause delay to the SIL project.</p> <p>The Chairman enquired about the time-table for the SIL project.</p> <p>MTRCL advised that the preliminary design of the SIL project would be completed in 2008 and the detailed design would be undertaken in 2009. Construction works were envisaged to</p>	The Administration to take follow-up action

Time marker	Speaker	Subject(s)	Action required
		<p>commence in 2010. DS/T supplemented that the Panel would be consulted later this year on the outcome of the study and public consultation on the feasibility of providing a station in Happy Valley and/or building an underground pedestrian walkway connecting the Causeway Bay station and the Racecourse.</p>	
020021 - 020246	Mr Tommy CHEUNG MTRCL	<p>With reference to the option of building a station within the Racecourse, Mr CHEUNG was concerned that since the railway tunnel was only 22 m deep, the noise and vibration generated by the railway line might adversely affect the safety of horses and riders during horse racing.</p> <p>MTRCL responded that further assessment would be made regarding the impact of the railway station on horse racing in the Racecourse.</p>	
<i>Agenda Item V – East Rail rail crack incidents</i>			
020247 - 020452	Chairman Administration	<p>PAS/T reported that MTRCL had originally planned to replace the 13 rail crossings within 18 months. However, as at the end of April 2008, nine rail crossings had already been replaced, with the remaining four to be replaced by July 2008, i.e. the replacement programme had been advanced by 12 months.</p>	
020453 - 021054	Mr WONG Kwok-hing MTRCL	<p>Mr WONG was concerned that the cracks were found on the rail crossings which had been put into use for less than three years. He enquired whether compensation would be sought from the manufacturer, and whether rail crossing supplied by the same manufacturer had been used in the former MTR railway lines. Mr WONG further asked whether MTRCL had conducted quality checks on the rail crossings upon receipt.</p> <p>MTRCL replied that upon receipt of the investigation report from the manufacturer on the cracks found on the rail crossings, the Company would consider whether compensation should be sought from the manufacturer, although the Company had indicated to the manufacturer that it had reserved the right for seeking compensation. The total cost for replacing the 13 rail crossings was about</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>\$1.8 million. The type and model of rail crossings used in other railway lines were different from those used in the East Rail, although some of the rail crossings were supplied by the same manufacturer. MTRCL stressed that the rail crossings were manufactured based on international standards and were purchased through open tenders. There was an established system to check the rail crossings, including the use of an independent expert by the former Kowloon-Canton Railway Corporation and deployment of professional staff by the former MTRCL in checking the rail crossings during manufacturing, and upon delivery of the equipment. MTRCL advised that for new purchases of crossings, random checking of the rails with X-ray had been introduced.</p>	
021055 - 021445	Mr WONG Kwok-hing MTRCL	<p>In response to Mr WONG's enquiry about the existing checking regime for rails, MTRCL advised that regular inspections of rails, including visual inspections (once every three days), ultrasonic rail testing (once every two to four weeks), and dye penetration tests on welding joints, were conducted as part of the routine maintenance regime.</p>	
<i>Agenda Item VI – The way forward</i>			
021446 - 021713	Chairman	<p>The Chairman reported matters which had been discussed in the Subcommittee this legislative year, and the outstanding issues. A report would be made to the Panel on Transport.</p>	
021714 - 021739	CCS	<p>A report on matters deliberated by the Subcommittee had to be made to the Panel on Transport by the end of June 2008.</p>	
021740 - 021810	Chairman	<p>There being no other business, the meeting ended at 12:45 pm</p>	