

For information

**Note for Legislative Council Panel on Transport
Subcommittee on Matters Relating to Railways**

**Progress and Financial Situation of
the Construction of the Hong Kong Section of
Guangzhou–Shenzhen–Hong Kong Express Rail Link**

(2nd Half-yearly Report for the Period ending 31 December 2010)

INTRODUCTION

This is the second half-yearly report on the construction of the Hong Kong section of the Guangzhou–Shenzhen–Hong Kong Express Rail Link (XRL) project.

BACKGROUND

2. At the meeting of the Legislative Council Panel on Transport Subcommittee on Matters Relating to Railways (the Railways Subcommittee) in April 2010, Members agreed that progress reports on the construction works of the Hong Kong section of the XRL should be submitted at six-month intervals. Members also agreed on the scope and issues to be covered in the half-yearly reports, which should include the progress update of the construction works of the XRL and its financial situation. The Administration submitted the first half-yearly report in July 2010, covering the period between 16 January 2010 and 30 June 2010. We briefed Members on the progress report at the special meeting on 6 July 2010. This paper is the second half-yearly report on progress of construction and financial situation of the XRL project for the period between 1 July 2010 and 31 December 2010.

OVERALL PROGRESS OF THE XRL PROJECT

(I) Major Works

3. As of 31 December 2010, 16 major construction contracts¹ have been awarded, making up a total awarded value of \$24.5 billion. They are contracts for tunneling works and foundation works of West Kowloon Terminus (WKT), which amount to about \$22.4 billion and \$2.1 billion respectively. Among the 16 major construction contracts, five tunneling contracts were awarded in the second half of 2010, which amount to \$10.5 billion.

4. In the first half of 2011, the first civil contract for the WKT and five Electrical and Mechanical (E&M) contracts will be awarded. The lists of major contracts awarded in this reporting period and the award schedule for the next reporting period are shown in **Annex 1**.

5. The overall progress of the key areas of works is summarized below -

- (a) **Railway tunnels** – preparatory work for tunnel excavation and construction of launching shafts for tunnel boring machines is progressing smoothly. The first tunnel blast was conducted at Shek Yam tunnel adit in November 2010.
- (b) **WKT** – 70% of the foundation works, including piling and diaphragm wall works, has been completed as scheduled. The temporary roads for the second stage of Temporary Traffic Management Scheme (TTMS) were completed and open to public on 2 January 2011. The section of Wui Cheung Road, which is between Lin Cheung Road and Wui Man Road, has been closed for the contractor to conduct the remaining foundation works; and

¹ Major construction contract means individual contract with value above \$50 million.

- (c) **E&M works** – system design is in good progress. Procurement of the works contracts commenced in the second half of 2010.

6. Further details of the progress of works are set out at **Annex 2**. The Government will continue to monitor closely the progress of the XRL project through the monitoring mechanism.

(II) **Pre-construction preparatory works and interface issues**

(a) Temporary traffic arrangements

7. A five-stage TTMS will be implemented in the West Kowloon area to facilitate construction of the WKT and the 3-tier depressed road system. Temporary roads will be built before closure of existing roads so that the road capacity in West Kowloon will not be reduced at any time during construction of the WKT. We consulted the Yau Tsim Mong District Council Traffic and Transport Committee on 9 September 2010 and 4 November 2010. The first and second stage of TTMS has been activated smoothly on 4 November 2010 and 2 January 2011 respectively. No adverse impact on the traffic in West Kowloon area has been observed. We will continue the consultation with the District Council on the remaining stages of TTMS and closely monitor the traffic condition.

8. Demolition of two footbridges along Sham Mong Road has commenced since mid-October 2010 for pile removal works in the area. Parts of the southbound and northbound lanes of Sham Mong Road have been narrowed for the modification works of storm-water drainage system and pile removal works. Details of the temporary traffic arrangements are set out at **Annex 2**.

(b) Condition surveys and community liaison in Tai Kok Tsui (TKT)

9. Representatives of the Government and the MTR Corporation Limited (the MTRCL) continued to keep close dialogue with TKT residents on the project progress update and residents' concerns on the project. Home visits were also made by the XRL Community Ambassadors to the TKT residents affected by strata resumption. In addition, reminders were sent to the Owners' Corporations (OCs) and individual owners who did not participated in the condition surveys. Condition survey for about 600 individual units had been conducted by end of December 2010. The MTRCL distributed the condition survey reports to individual owners and provided briefings for the residents to explain the content of the report. Over 500 enquiries were received at the XRL Information Centre in the second half of 2010.

10. Moreover, free professional consultation services on construction works and building surveying are offered by the Government to owners of relevant buildings. Respective briefings were held by volunteers from the Hong Kong Institution of Engineers for residents of two buildings on 27 August 2010, so as to help residents understand in more details the impact of the XRL works. A meeting was arranged for owners of another two buildings on 26 November 2010, so as to provide independent professional surveying advice on claims and compensation under the Railways Ordinance. The Administration will continue to help arranging professional advice service for relevant residents.

11. The XRL Community Ambassadors have been proactively involved in the community. In addition to home visits, the Ambassadors are also enthusiastic to participate in community events including major events held by local community organisations, such as visiting the elderly homes, organising school talks and meeting the Community Liaison Group of the XRL project. The details of the liaison with TKT residents are set out in **Annex 3**.

- (c) Land resumption and Compensation in Choi Yuen Tsuen (CYT)

12. The relevant progress as of end 2010 is as follows:-

Ex-gratia Cash Allowance (EGCA)

- (i) out of the some 230 registered households, 190 households applied for EGCA under the Special Ex-gratia Rehousing Package. About 140 applications were approved, of which about 60 were fully eligible households. The Secretary for Transport and Housing also exercised discretion in approving over 80 applications from villagers who were not fully eligible. The EGCA granted to all the approved cases adds up to about \$72 million. For over half of the approved applications, the applicants were offered an amount of EGCA of over \$500,000. All households have collected the payments.
- (ii) in order to resume the private land required in CYT, a total of \$160 million has been granted by the Administration to the affected CYT villagers who were land owners as ex-gratia land compensation. More than 80% of these villagers have collected their payments.
- (iii) the Government approved over \$13 million of Crop Ex-gratia Allowance (CEGA), involving some 160 cases with more than \$80,000 granted to each case on average. Most cases involved small-scale vegetation for self-consumption. About 30 farmers were engaged in active farming. On average, they received more than \$300,000 of CEGA. The highest offer amounts to over \$1 million. More than 70% of these farmers have collected the CEGA.

Some villagers dissatisfied with the amount of CEGA. In fact, the Agriculture, Fisheries and Conservation Department (AFCD) met the villagers. At the request of the villagers, the AFCD also reviewed all the crop allowance rates and the cases of all the farmers.

After the review, the AFCD was of the view that the original allowance rates for edible aloe vera and organic crops might not reflect the market values. Therefore, adjustments have been made to the two crops. The new rates applied to all farmers growing these two types of crops (including those who have already collected the crop allowances).

- (iv) The Government has approved over \$8 million of Miscellaneous Permanent Improvements to Farm Ex-gratia Allowances, which involves some 120 applicants. About 60% of the farmers have collected the payments.

Rehousing Arrangements for CYT Villagers

- (v) The Lands Department and Housing Department have considered each individual case, so as to arrange qualified applicants for accommodation to public rental housing or interim housing. As of 31 December 2010, about 30 households had moved or have been preparing their move to public rental housing and interim housing. There are a few households, who do not meet the criteria for public housing, applying for admission to rehousing in public housing. We will examine individual cases on their own merits for the possibility of rehousing on compassionate ground. If they are willing to accept interim housing, we will make necessary arrangements.
- (vi) The special Home Ownership Scheme (HOS) sale for clearerees affected by the XRL project allowed eligible villagers to purchase an HOS flat without being assessed by comprehensive means test. 35 villagers purchased HOS units under the special sale scheme and all the transactions had been settled by August 2010.

Agricultural resite

- (vii) An inter-departmental working group (including the Transport and Housing Bureau, the Lands Department and the AFCD) has finished

processing agricultural resite applications from CYT villagers. The working group examined more than 60 applications. About 50 applications (involving more than 70 households) were verified as genuine farmers.

The 47 CYT households which opt for collective agricultural resite wish to practice farming on a piece of land near Yuen Kong San Tsuen and Tai Wo Tsuen. In accordance with prevailing practice, we consulted the residents of Yuen Kong San Tsuen and Tai Wo Tsuen in respect of the construction of houses on the related agricultural land. The residents expressed concerns about the proposal and raised objections. The Transport and Housing Bureau, the Yuen Long District Office and other relevant government departments actively rendered co-ordination and addressed the concerns raised by the two villages, including the heavy traffic burden due to the settlement of a large number of residents from CYT. The Heung Yee Kuk was invited to actively participate in the mediation regarding the issue on the use of the private roads adjoining the relevant farmlands. The issue was finally settled on 9 February 2011.

(viii) We understood that the villagers for collective agricultural resite might need time to resolve the road access issue and to construct the new village. The Administration held a meeting with those villagers on 15 December 2010. We suggested the MTRCL lending pre-fabricated houses and erecting them on the vacant land of the new village for villagers who require temporary residence. This proposal would allow more time for the villagers to build their new houses without affecting the progress of the XRL works, which should be a win-win solution. However, the villagers refused the proposal at the meeting. After the resolution of the road access issue in February 2011, the villagers expressed their willingness to consider the proposal. At a meeting on 17 February 2011, we offered the proposal again. We then reached consensus with the villagers on the proposal in early March 2011.

Progress of land resumption

- (ix) Since mid-October 2010, we have handled the clearance of CYT in a humane manner and conducted land resumption by phases. We aim to balance the progress of the construction works for the XRL and the needs of the villagers, providing flexibility to let villagers have more time to arrange their removal. To reduce the impact on the progress of the XRL programme, we commenced site preparatory works on the resumed land after resuming the structures vacated by the residents and business operators, some farmland and vacant land. At the same time, we try to allow more time for the villagers to implement their moving plans.
- (x) Until end 2010, we resumed about 80% of the land in CYT and the progress was within our expectation. Until now, we did not resume any house which was occupied by the resident by force. Details of the preparation of the land resumption in CYT are set out at **Annex 2**.
-

(III) Employment opportunities

13. By end December 2010, about 2 310 construction workers and 770 technical / professional staff members are employed to work on the XRL project. In addition to the support to the Enhanced Construction Manpower Training Scheme of the Hong Kong Construction Association, the MTRCL has initiated two labour forums with the contractors in June and August 2010 to discuss how to attract newcomers to the construction industry and railway projects. The MTRCL also participated in the Construction Industry Fun Fair organized by Construction Industry Council in July 2010, introducing job categories of railway projects through exhibition panels and delivering talks on job opportunities of the XRL and other railway projects. In 2011, the MTRCL will hold a large-scale job fair. Relevant contractors will also be invited. On-the-spot interviews will be offered to the interested applicants. The

_____ detailed information on job opportunities created by the XRL project as well as the types of jobs involved is set out at **Annex 4**.

UPDATED FINANCIAL SITUATION OF THE XRL PROJECT

14. Up to 31 December 2010, the cumulative expenditure for the awarded contracts to date is \$5,817 million. So far, the award of contract is on schedule and within budget. Details of the financial situation of the XRL project are shown in **Annex 5**. We will continue to encourage tenderers to submit alternative proposals and explore opportunities that can save cost while delivering the same or even better values to the project.

THE NEXT HALF-YEARLY REPORT

15. The next half-yearly report covering the period 1 January 2011 to 30 June 2011 will be issued in July 2011.

Transport and Housing Bureau
March 2011

**Major contracts awarded in this reporting period and
award schedule for the next reporting period**

Table 1 - List of major contracts awarded in this reporting period

Contract number and title	Date of award	Awarded contract sum (\$ million)
(A) Railway tunnels		
811B – West Kwoloon Terminus Approach Tunnel (South)	13 Aug 2010	2,883
821 – Shek Yam to Mei Lai Road Tunnels	12 Jul 2010	1,384
823A – Tai Kong Po to Tse Uk Tsuen Tunnels	12 Jul 2010	1,503
823B – Shek Kong Stabling Sidings & Emergency Rescue Siding	20 Oct 2010	3,218
824 – Ngau Tam Mei to Tai Kong Po Tunnels	13 Aug 2010	1,515
Total amount :		10,503
(B) West Kowloon Terminus (WKT)		
Nil	--	--

(C) Electrical and Mechanical (E&M) works		
Nil	--	--

Table 2 – Award schedule for major contracts between 1 January 2011 and 30 June 2011

Contract number and title

(A) Railway tunnels

- All contracts were awarded

(B) WKT

- 810B – West Kowloon Terminus Station (South)

(C) E&M works

- 843 – Tunnel Environmental Control System
- 847 – Lifts
- 848 – Escalators and Moving Walkways
- 855 – Building Services for Ventilation Buildings and Emergency Rescue Siding
- 856 – Building Services for Shek Kong Stabling Sidings

Detailed half-yearly progress report of works ending 31 December 2010

(I) Progress of works

**Tunnels –
New Territories
Section**

The first tunnel blast at Shek Yam tunnel adit was conducted in November 2010. Tunnel excavation has been making satisfactory progress with 80 metre in length excavated (18%). Site formation works at Pat Heung adit have also commenced.

The Kwai Chung tunnel adit, which provides access to the main tunnel, is being excavated by a hydraulic breaker. The overall progress is on schedule.

Land resumption at Shek Kong commenced in November 2010 and the contractor has taken over the resumed land progressively. Site formation works are currently being carried out at Ngai Tam Mei and Tai Kong Po sites.

At Mai Po, 30% of the excavation works for the Tunnel Boring Machine (TBM) launching shaft completed. Manufacturing of the TBMs is currently underway in the Mainland factory and TBMs are planned to be dispatched to site in mid 2011.

**Tunnels –
Urban Section**

25% of the piling works and 60% of diaphragm wall construction at the northern section of the West Kowloon Terminus (WKT) Approach Tunnel completed. The piling works and diaphragm wall construction at the southern section also commenced in December 2010. Preparation work for the temporary

replacement footbridge at Jordan Road is underway.

At the works area adjacent to Nam Cheong Station, existing foundation piles are being removed to allow the TBMs to pass through this section smoothly.

The progress for construction of the diaphragm walls for the TBM launching shafts at Nam Cheong is satisfactory. 75% of the above works completed. The contractor has also confirmed the procurement of the TBMs.

The footbridge located at the junction of Sham Mong Road and Hoi Fai Road has been removed. The temporary footbridge adjacent to Hoi Lai Shopping Centre has been opened to the public in December 2010.

**West Kowloon
Terminus
(WKT)**

The second stage of Temporary Traffic Management Scheme (TTMS) at West Kowloon was successfully implemented on 2 January 2011. Progress of piling and diaphragm works at West Kowloon Terminus is generally on schedule and 70% of the works completed.

**Electrical and
Mechanical
(E&M) works**

The progress of design for E&M systems is satisfactory, which matches the programme of relevant tender procurement process. By end of 2010, six E&M works tender documents have been issued.

(II) Preparatory work and interface issues

Major temporary traffic measures

To facilitate the construction of the WKT, the first and the second stage of TTMS have been implemented in West Kowloon. The Yau Tsim Mong District Council was consulted on 9 September 2010 and 4 November 2010.

The first stage of TTMS implemented on 11 June 2010 and 4 November 2010 respectively for the shifting the Lin Cheung Road westward and the Austin Road West southward.

The second stage of TTMS implemented on 2 January 2011. The scheme included diversion of the Lin Cheung Road southbound traffic to the temporary D1A(N) Road, D1A(S) Road and the new Wui Man Road. The section of Wui Cheung Road between Lin Cheung Road and Wui Man Road has been closed permanently.

Some minor TTMSs are still effective in the West Kowloon area for the construction of temporary carriageway. The carriageway is prepared for the next stage of TTMS, which involves diversion of Jordan Road and a footbridge to the north.

Also, some minor TTMSs are being implemented at various locations along Sham Mong Road to make room for the removal of tunnel obstructions, formation site entrances and reprovisioning of public facilities.

We will continue our consultation with the relevant District Council for the various stages of TTMS.

**Land
resumption and
clearance**

Since mid-October 2010, we have handled the clearance of CYT in a humane manner and conduct land resumption by phases. We resumed the structures vacated by the residents and business operators, and some farmland and vacant land. We then commenced site preparatory works on the resumed land, so as to reduce the impact on the progress of the XRL programme and, at the same time, to allow more time for the villagers in need to implement their moving plans.

Until end 2010, we resumed about 80% of the land of CYT and the progress was within our expectation. Such land and structures were voluntarily surrendered by the residents. We did not resume any house which was still occupied by the resident by force.

Structures yet to be resumed mainly belong to -

- (1) the 47 households who joined the collective agricultural resite and members of these households who had moved out but did not join the agricultural resite;
- (2) a few tenants who had entered short-term tenancy agreements on structures with the villagers; and
- (3) residents who had already moved out but had not surrendered the structures for various reasons.

**Ex-gratia
Allowances**

In order to compensate the over 400 residents in CYT who are affected by land resumption, the Government had approved compensation amounting to more than

\$250 million. On average, each CYT villager received over \$500,000. The compensation would allow the residents start their living anew. The details are as follows :

1. **Ex-gratia Cash Allowance (EGCA):** Among the some 230 registered households, more than 190 had applied for EGCA under the Special Ex-gratia Rehousing Package, of which more than 140 were granted EGCA. A total of \$72 million has been approved.

Of the 140 odd approved households, about 60 were fully eligible villagers. In addition, the Secretary for Transport and Housing had exercised discretion to approve more than 80 applications which were not fully eligible. As a result, many villagers who lived in converted pigsties or chicken sheds were also benefited. When processing these applications, we adopted a humane manner, as far as possible, to respond to the needs of the affected villagers, including adopting a compassionate approach in handling cases involving the elderly, singleton elders, the chronical illness, single-parent families and those suffering from domestic calamity.

More than a half of the applicants of approved cases received ex-gratia allowance of more than \$500,000. Cases were rejected mainly because the applicants did not meet the relevant requirements (e.g. many applicants did not live in the affected areas for more than 10 years). By end of December 2010, all these households had received

their payments.

2. **Ex-gratia Compensation for resuming private land:** In order to resume the private land owned by villagers in CYT, ex-gratia compensation amounting to about \$160 million had been approved. More than 80% of these villagers have collected their payments.
3. **Crop Ex-gratia Allowance (CEGA):** Of the 160 odd cases of CEGA, a larger part involve applicants who practiced small-scale vegetation for self-consumption. On average, each application involves compensation of more than \$80,000. Among the farming households who have been approved to receive CEGA, about 30 are engaged in active farming and they received more than \$300,000 on average, with the highest offer amounting to over \$1 million.

Upon request of the villagers, the Agriculture, Fisheries and Conservation Department (AFCD) had reviewed all the crop allowance rates for crops and cases of the farmers in November 2010. After the review, the AFCD revised the allowance rates for edible aloe vera and organic crops. The allowance rates for CEGA have reflected the market values, which are evaluated according to the prices in wholesale market, in farms in the territory as well as the prices obtained through market research. From time to time, the AFCD reviews and updates the rate of CEGA. The mechanism for CEGA evaluation applies on a territory-wide basis. Apart from receiving CEGA, the farmers can also sell

their harvested crops before land resumption so as to earn additional income.

If individual farmers are not satisfied with the allowance rates for the crops, they may claim compensation on the basis of the records of the crops recorded last year without the need of retaining the crops on farmland as evidence. The AFCD has kept a complete record of the crops on the date of assessment for all the applications.

As at end December 2010, over 70% of the farmers had received the CEGA.

4. **Miscellaneous Permanent Improvement to Farm Ex-gratia Allowance (MPI):** A total of more than \$8 million had been approved, involving about 120 cases of application for MPI. About 60% of these farmers had received the MPI payments.
5. **Domestic Removal allowance:** All households affected by clearance are eligible for granting of removal allowance. A total \$1.6 million of removal allowance had been approved and each household will receive an allowance of \$8,000 on average. About 70% of the households had received the allowance.

Rehousing Arrangements

Rehousing to public housing: When processing applications for rehousing to public rental housing, we adopted a compassionate approach to cases involving households with special needs. For example, public rental housing in urban areas were allocated to those families which have mutual support from their

kinsmen. About 30 households had moved or have been preparing their move to public rental housing and interim housing. There are a few households, who do not meet the criteria for public housing, applying for admission to rehousing in public housing. We will examine individual cases on their own merits for the possibility of rehousing on compassionate ground. If they are willing to accept interim housing, we will make necessary arrangements.

Units under the Home Ownership Scheme (HOS):

The special HOS sale for clearerees affected by the XRL project has been completed in June 2010. Eligible villagers were allowed to purchase an HOS flat without being assessed by the comprehensive means test. 35 villagers have purchased HOS units and all the transactions had been settled as at August 2010.

**Agricultural
Resite**

We have set up an inter-departmental working group (including the Transport and Housing Bureau, the Lands Department and the AFCD) to handle agricultural resite applications of CYT villagers. The working group examined more than 60 applications. The working group considered information on current and previous farming status, record of produce and size of the farmland. About 50 applications, which involve more than 70 households, were verified as genuine farmers..

Regarding the application for agricultural resite, we tried various means to assist villagers to retrieve evidences to support their eligibilities for agricultural resite. For example, the AFCD and the Environmental Protection Department assisted in

searching relevant departmental records for the past ten years or so. Applications were rejected because the applicants did not meet the relevant requirements, e.g. failing to provide relevant evidence of farming practice.

The 47 CYT households opt for collective agricultural resite wish to practice farming on a piece of land near Yuen Kong San Tsuen and Tai Wo Tsuen. In accordance with prevailing practice, we consulted the residents of Yuen Kong San Tsuen and Tai Wo Tsuen in respect of the construction of houses at the related agricultural land. The residents expressed concerns about the proposal and raised objection, including the heavy traffic burden due to the settlement of large number of residents from CYT.

The Transport and Housing Bureau, the Yuen Long District Office and other relevant government departments held many meetings and site inspections with the residents and representatives of the two villages. The Administration responded to the concerns of Yuen Kong San Tsuen and Tai Wo Tsuen in a positive manner, e.g. to open the use of the maintenance access of the nullah for the local villagers with a view to easing the traffic burden of nearby roads due to the increase in number of villagers. However, the issue on the use of the private roads adjoining the relevant farmlands involves pecuniary interest of both parties and the Government could get involved. Heung Yee Kuk was then invited to actively participate in the mediation regarding the issue, and with the help of a caring benefactor, the issue was fully settled on 9 February 2011.

Since the residents who join collective agricultural resite need time to resolve the road access issue and to construct the new village, the Administration held a meeting with those villagers on 15 December 2010. We suggested the MTRCL lending pre-fabricated houses and erecting them on the vacant land of the new village for villagers who required temporary residence. The proposal would allow more time for the villagers to build their new houses without affecting the progress of the XRL, which should be a win-win solution. However, the villagers refused the proposal at the meeting. After the resolution of the road access issue in February 2011, the villagers had expressed their willingness to consider the proposal. At a meeting on 17 February 2011, we offered the proposal again. We then reached consensus with the residents on the proposal in early March 2011.

Each pre-fabricated house (as shown in the attached photo) is with a usable area of 400 square feet, with a living room and two bedrooms. We had further offered to provide temporary utilities, such as electricity, water services and sewage facilities, for villagers moving to the pre-fabricated houses. We will also assist villagers in moving out and provide temporary storage facilities.



**Employment
Opportunities**

Details set out at **Annex 4** separately.

Liaison with Tai Kok Tsui (TKT) residents

The Government and the MTR Corporation Limited (MTRCL) have been closely liaising with TKT residents. In the second half of 2010, the XRL community ambassadors arranged home visits to around 550 units in the area under the consent from relevant Owner Corporations (OCs). During the period, over 500 visitors visited the XRL information centre in New Kowloon Plaza, and over 550 enquires were handled.

2. While the residents still have concerns over structural safety of their buildings despite briefings on the building impact assessment (BIA) were held in the first half of the year, the Ambassador Team paid visits to those residents who had not attended the briefing sessions. The Team delivered and explained to residents the simplified BIA reports, the minutes of the BIA briefings and leaflets (including one covering Questions and Answers on the TKT section), and the details of the free surveying and engineering professional services.

3. To enhance residents' understanding on the possible impact of the XRL project and their rights under the Railways Ordinance, we have, as per residents' request, arranged professional engineering advice services, by the Hong Kong Institution of Engineers, for two of the relevant buildings on 27 August 2010. Surveying consultancy services by surveying consultants were also arranged for two of the relevant buildings on 26 November 2010.

4. In addition, the XRL Community Ambassadors have been proactively involved in the local community. To celebrate the Mid-Autumn Festival, the Ambassador Team, together with members from the XRL project team and contractors had visited 4 elderly homes, sending them fruits and moon cakes, and arranging games and performances to the elderly. Apart from the Mid-Autumn Festival Night, we will continue our liaison local community

organizations. The MTRCL plans to participate in other community activities in the coming year to establish better networks and communications with residents, and to listen to their concerns.

5. Condition surveys are currently in progress to protect the interest of the owners and the MTRCL. Among the 19 relevant buildings requiring strata resumption, condition surveys in the common areas of 16 buildings have been completed and relevant reports delivered to the respective OCs. Condition surveys for around 600 flat units (the ratio is comparable to other railway projects) have been completed and their survey reports are being issued to the relevant owners.

Detailed information on job opportunities created by the project

Up to the end of December 2010, about 2 310 nos. of construction workers and 770 nos. technical / professional staff are currently employed by the contractors of the XRL project. They are mainly engaged in the construction works for the tunnels and West Kowloon Terminus

2. In the next reporting period from 1 January 2011 to 30 June 2011, it is anticipated that 2 600 nos. of construction workers and 900 nos. technical / professional staff will be employed for the XRL project. It is estimated that the total project manpower figure will gradually increase to the peak of 11 000 nos. in 2013, which includes 9 200 nos. of construction workers and 1 800 nos. of nos. technical / professional staff.

Half-yearly expenditure report ending 31 December 2010

Table 1- Situation of expenditure

	Awarded contract sum for the contracts (\$ million)	Cumulative expenditure (\$ million)	Estimated amount of unresolved claim (\$ million)
Railway Tunnels	22,365	4,158	0
West Kowloon Terminus (WKT)	2,098	1,659	0
Electrical and Mechanical (E&M) Works	0	0	0
Total	24,463	5,817	0

Table 2- Situation of substantiated claims

	Claims resolved			Claims unresolved		
	Number	Amount claimed originally* (\$ million)	Amount awarded (\$ million)	Number	Amount Claimed* (\$ million)	Interim award (\$ million)
Tunnels	0	0	0	0	0	0
WKT	0	0	0	0	0	0
E&M Works	0	0	0	0	0	0
Total	0	0	0	0	0	0

* Amount stated in contractor's detailed claim report.