

# 立法會 *Legislative Council*

LC Paper No. CB (2)177/14-15

Ref: CB2/T/16

## **Paper for the House Committee meeting on 31 October 2014**

### **Proposed extension of period of work of subcommittees on policy issues**

#### **Purpose**

This paper invites Members to consider the proposed extension of period of work of three subcommittees on policy issues.

#### **Background**

2. Rule 26(c) of the House Rules ("HR") specifies that a subcommittee on policy issues should complete work within 12 months of its commencement and report to the House Committee ("HC") or relevant Panel(s) as appropriate. Should such a subcommittee consider it necessary to work beyond 12 months, it should, after obtaining the endorsement of the relevant Panel(s) if it is appointed by a Panel(s), report to HC and give justifications for an extension of the period.

3. The maximum number of subcommittees on policy issues under HC and Panels that may be in operation at any one time is 10<sup>1</sup>. Pursuant to HR 26(b), any new subcommittees formed after the quota has been filled will be put on a waiting list, and HC will act as the clearing house for the activation of subcommittee(s) on the list.

#### **Proposed extension of period of work of subcommittees**

4. The three subcommittees seeking the permission of HC for extension of the period of their work are -

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<sup>1</sup> Under HR 26(a), the maximum number of subcommittees on policy issues that may be in operation at any one time is eight. With additional resources being allocated to the Secretariat in the 2013 Resource Allocation Exercise, the Secretariat is able to utilize such resources to service up to two more subcommittees on policy issues on top of the quota of eight specified in HR 26(a) with effect from 1 April 2014.

- (a) the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project under the Panel on Home Affairs and the Panel on Development;
- (b) the Subcommittee on Health Protection Scheme under the Panel on Health Services; and
- (c) the Subcommittee on Matters Relating to Railways under the Panel on Transport.

5. The above three subcommittees commenced work in the 2012-2013 session and were given permission by HC in November 2013 to extend their work for a period of eight to 10 months after expiry of the 12-month period. The three subcommittees have recently reviewed their work progress and consider it necessary to further extend the period of their work. The proposed extension of period of work of the three subcommittees is summarized as follows:

<b>Subcommittees on policy issues</b>	<b>Date of first meeting</b>	<b>End date of current extended period of work</b>	<b>Proposed time frame for further extension of work</b>	<b>Proposed duration of further extension of work</b>
1. Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project under <b>the Panel on Home Affairs and the Panel on Development</b>	29 January 2013	30 September 2014	2014-2015 session (i.e. until 30 September 2015)	12 months
2. Subcommittee on Health Protection Scheme under <b>the Panel on Health Services</b>	12 December 2012	3 November 2014	2014-2015 session (i.e. until 30 September 2015)	11 months
3. Subcommittee on Matters Relating to Railways under <b>the Panel on Transport</b>	30 November 2012	4 December 2014	2014-2015 session (i.e. until 30 September 2015)	10 months

6. Details of the progress of work of the above three subcommittees and their proposals for extension of period of work are given in **Appendices I to III**.

### **Considerations for proposed extension of period of work of subcommittees on policy issues**

Broad principles for activation, operation and extension of period of work of subcommittees on policy issues

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7. To ensure the completion of work of subcommittees on policy issues within a specified time frame so that slots can be vacated within a reasonable time for the activation of other subcommittees, as well as effective and flexible use of resources, Members agreed at the HC meeting on 15 November 2013 to adopt the following broad principles for the activation, operation and extension of period of work of such subcommittees –

- (a) where a subcommittee considers it necessary to extend the period of its work beyond 12 months but there are subcommittees on the waiting list awaiting activation, HC may, if considered appropriate, give permission for the subcommittee to continue to operate for three more months in the first instance after the expiry of its period of work to allow time for it to wrap up its current stage of work, after which the subcommittee will, if necessary, be placed on the waiting list for re-activation of work. Upon re-activation, the subcommittee shall complete its work within the remainder of the extension period originally sought, unless decided otherwise by HC. HC can decide the order of activation/re-activation of subcommittees on the waiting list; and
- (b) the number of subcommittees under each Panel operating at the same time should not exceed two. For this purpose, a joint subcommittee will be counted as one subcommittee for each of the Panels concerned.

### Current position of subcommittees on policy issues

8. At present, apart from the three subcommittees currently seeking the permission of HC for further extension of their work, there are seven other subcommittees on policy issues (one appointed under HC and six under Panels) in operation. The position of these 10 subcommittees on policy issues is in **Appendix IV**. Currently, there is no subcommittee on policy issues on the waiting list.

**Advice sought**

9. Pursuant to HR 26(c), Members are invited to consider the proposed further extension of period of work of the three subcommittees on policy issues as set out in paragraph 5.

Council Business Division 2  
Legislative Council Secretariat  
29 October 2014

**立法會**  
***Legislative Council***

LC Paper No. CB(2)184/14-15

Ref : CB2/PS/3/12

**Paper for the House Committee meeting on 31 October 2014**

**Proposed extension of period of work  
of the Joint Subcommittee to Monitor the Implementation  
of the West Kowloon Cultural District Project**

**Purpose**

This paper reports on the progress of work of the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project ("the Joint Subcommittee"), and the need for the Joint Subcommittee to extend the period of its work and continue to operate in the 2014-2015 session.

**Background**

2. The Joint Subcommittee was appointed by the Panel on Home Affairs and the Panel on Development in January 2013 to monitor issues relating to the implementation of the West Kowloon Cultural District ("WKCD") project, including the work of the West Kowloon Cultural District Authority ("WKCDA"), the project's interface with arts and cultural development, and other related matters. According to its work plan, the Joint Subcommittee will follow up on the recommendations of the former Joint Subcommittee formed in the Fourth Legislative Council ("LegCo") and focus its work on the following areas –

- (a) the taking forward of the Development Plan ("DP") for WKCD;
- (b) planning and development of the core arts and cultural facilities and other associated facilities;

- (c) strategy for the development of cultural software;
- (d) financial management and procurement procedures; and
- (e) governance and work of WKCDA.

3. The terms of reference and membership of the Joint Subcommittee are set out in **Annexes I and II** respectively.

### **Work of the Joint Subcommittee**

4. The Joint Subcommittee has, since 29 January 2013, held 15 meetings and received views of deputations at three of these meetings. The Joint Subcommittee has also conducted a site visit on 17 December 2013 to better understand the pedestrian connections for WKCD. Major issues studied by the Joint Subcommittee include -

- (a) Development of WKCD
  - (i) implementation of the approved DP of WKCD;
  - (ii) WKCDA's proposal for minor relaxation of the development intensity of the WKCD site to increase the total gross floor area by 15% for various uses;
  - (iii) progress in the planning and development of the core arts and cultural facilities and other associated facilities including the Xiqu Centre, M+, the Park, the Arts Pavilion and the WKCD integrated basement;
  - (iv) integration and connectivity of WKCD with its neighbouring districts including pedestrian facilities, public transport facilities, traffic improvement works for the West Kowloon area and provision of parking spaces in WKCD; and
  - (v) management and utilization of the WKCD site prior to the commencement of the construction works for the WKCD project.

- (b) WKCD project's interface with arts and cultural development
  - (i) measures to promote the development of cultural software to complement the WKCD project, including building of audience, promotion of arts education in schools, grooming of arts talents, as well as training and development of arts administrators;
  - (ii) artistic characteristic and partnership framework of performing arts venues in WKCD; and
  - (iii) communication and co-operation between WKCDA and the arts community in the development of WKCD.
- (c) Financial situation of and arrangements for the WKCD project and work of WKCDA
  - (i) use and adequacy of the upfront endowment of \$21.6 billion for the WKCD project and financial management by WKCDA;
  - (ii) funding arrangements for the integrated basement and public infrastructure works in WKCD; and
  - (iii) role and functions of the Consultation Panel ("CP") of WKCDA.

## **Need for continuation of work**

### Planning and development of arts and cultural facilities

5. The WKCD project is a major initiative of the Government to meet the long-term infrastructural and development needs of the arts and cultural sector in Hong Kong. The WKCD project is now in a critical stage of development. Under the latest implementation approach adopted by WKCDA, the facilities in WKCD will be delivered in three batches. The facilities to be delivered in the first batch include the Xiqu Centre, M+, the Park (including the Arts Pavilion) and Freespace (including an Outdoor Stage and a Black Box), which are planned for completion between 2015 and first half of 2018.

6. At the meeting on 28 May 2014, the Joint Subcommittee was advised that the portion of the endowment fund for the design and construction of WKCD facilities would be sufficient only to cover the costs of batch 1 and batch 2 facilities, while the implementation programme for batch 3 facilities would be reviewed at a suitable juncture. Some members expressed concern about the absence of concrete timetable for batch 3 facilities, comprising venues such as Music Centre, Great Theatre and Musical Theatre which were crucial components of the WKCD that had been envisioned. Members also noted with concern the impact of the delay in the works of the Guangzhou-Shenzhen-Hong Kong Express Rail Link project on the implementation programme of WKCD facilities. The Joint Subcommittee will need to continue to monitor the progress of the construction of batch 1 facilities, and follow up the planning for batch 2 facilities as well as the implementation programme for batch 3 facilities, which are within the purview of its terms of reference.

#### Development of the Park

7. The Joint Subcommittee was advised in July 2013 of WKCDA's plan to turn the fully landscaped Park envisaged in the "City Park" conceptual plan into quality open space with a simple and functional design, to facilitate early delivery of the Park and related facilities in a cost effective manner. At the meeting of the Joint Subcommittee on 23 July 2014, the Administration and WKCDA briefed members on the latest concept design for the Park as well as the use and management of the Park in preparation of the relevant bylaws. The subject of management of the Park has all along been a major concern of the Joint Subcommittee. Members noted that CP of WKCDA launched a public engagement exercise in May and June 2014 to collect public views on the future use and management of the Park, the results of which would be used as references to inform the drafting of the bylaws for the management of the Park. Members generally considered it important that WKCDA should adopt a relaxed and flexible approach in managing the Park to facilitate public enjoyment of the open space in WKCD. Members were advised that the draft bylaws were under preparation and would be drawn up having regard to the results of the public survey conducted by CP. Noting WKCDA's plan to table the bylaws in LegCo in early 2015, members requested the Administration and WKCDA to consult the Joint Subcommittee before the bylaws were introduced into LegCo.



### Financial situation of and arrangements for the WKCD project

8. At the meeting on 28 May 2014, the Joint Subcommittee was updated on the latest financial situation of the WKCD project. Noting the high cost estimate of \$23 billion for the integrated basement, which was not covered in the original project scope when LegCo's approval was sought in 2008 for the upfront endowment, members generally expressed grave concern about the significant cost escalation of the WKCD project. In response to the concerns of the Joint Subcommittee, the Administration and WKCD had undertaken to present annual updates to Members on the project's financial situation.

### Implementation of the WKCD integrated basement

9. At the meeting on 28 May 2014, the Joint Subcommittee was briefed on the progress in the planning and development of the WKCD integrated basement and examined the funding application for foundations for the advance public infrastructure works in the basement of M+ together with that for the design and site investigation for the portion of the integrated basement adjoining M+. In addition to the high cost estimate for the integrated basement, members also expressed concern about whether the proposed phased implementation approach would result in delivery of the integrated basement and WKCD facilities in a fragmented manner and lack of connections among different zones of the integrated basement. According to the information provided by the Administration then, based on the proposed phased implementation arrangement, the Administration will further seek funding from LegCo for the implementation of the integrated basement and related public infrastructure works over the next few years in the estimated total amount of about \$10 billion.

### Proposed extension of period of work

10. Rule 26(c) of the House Rules provides that a subcommittee should complete its work within 12 months of its commencement and report to the relevant Panel(s). If it is necessary for a subcommittee to work beyond that 12 months, the subcommittee should, after obtaining the endorsement of the relevant Panel(s), report to the House Committee and give justifications for an extension of the 12-month period. In accordance with the said House Rule, approval was previously given by the House Committee at its meeting on 15 November 2013 for the Joint Subcommittee to extend the period of its work after expiry of the 12-month period in January 2014 until 30 September 2014.

11. Given its monitoring role, the work of the Joint Subcommittee ties in with the progress of the Administration and WKCDA in taking forward the implementation of the WKCD project. Having regard to the major matters which need to be followed up by the Joint Subcommittee as set out in paragraphs 5 to 9 above, the Joint Subcommittee considers it necessary to seek further extension of the period of its work and continue to operate in the 2014-2015 session. The proposed extension of period of work of the Joint Subcommittee has been endorsed by the Panel on Home Affairs and the Panel on Development.

**Advice sought**

12. Pursuant to rule 26(c) of the House Rules, Members are invited to note the progress of work of the Joint Subcommittee and endorse the proposal for the Joint Subcommittee to extend the period of its work and continue to operate in the 2014-2015 session.

Council Business Division 2  
Legislative Council Secretariat  
29 October 2014

**Panel on Home Affairs and Panel on Development**

**Joint Subcommittee to Monitor the Implementation of  
the West Kowloon Cultural District Project**

**Terms of Reference**

To monitor issues relating to the implementation of the West Kowloon Cultural District project, including the work of the West Kowloon Cultural District Authority, the project's interface with arts and cultural development, and other related matters.

**Panel on Home Affairs and Panel on Development**  
**Joint Subcommittee to Monitor the Implementation**  
**of the West Kowloon Cultural District Project**

**Membership list**

**Chairman** Hon Christopher CHUNG Shu-kun, BBS, MH, JP

**Deputy Chairman** Hon Alan LEONG Kah-kit, SC

**Members** Hon Emily LAU Wai-hing, JP  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon Cyd HO Sau-lan, JP  
Hon Starry LEE Wai-king, JP  
Hon IP Kwok-him, GBS, JP  
Hon Claudia MO  
Hon Steven HO Chun-yin  
Hon Frankie YICK Chi-ming  
Hon YIU Si-wing  
Hon Gary FAN Kwok-wai  
Hon MA Fung-kwok, SBS, JP  
Hon CHAN Chi-chuen  
Dr Hon Kenneth CHAN Ka-lok  
Hon CHAN Yuen-han, SBS, JP  
Hon Alice MAK Mei-kuen, JP  
Dr Hon Helena WONG Pik-wan  
Dr Hon CHIANG Lai-wan, JP  
Hon Tony TSE Wai-chuen, BBS

(Total : 20 members)

**Clerk** Ms Amy YU

**Legal Adviser** Ms Vanessa CHENG

**Date** 30 September 2014

立法會  
*Legislative Council*

LC Paper No. CB(2)180/14-15

Ref : CB2/PS/2/12

**Paper for the House Committee meeting on 31 October 2014**

**Proposed extension of period of work  
of the Subcommittee on Health Protection Scheme**

**Purpose**

This paper reports on the progress of work of the Subcommittee on Health Protection Scheme ("the Subcommittee"), and the need for the Subcommittee to extend the period of its work and continue to operate in the 2014-2015 legislative session.

**Background**

2. The Subcommittee was appointed by the Panel in November 2012 to study issues relating to the introduction of the Health Protection Scheme ("HPS") as proposed by the Government for the Second Stage Public Consultation on Healthcare Reform and make recommendations where necessary. According to its work plan, the Subcommittee has focused its work on the following areas -

- (a) roles of public and private healthcare systems;
- (b) roles of public funding and health insurance in financing healthcare services including the utilization of government subsidy;
- (c) objectives, concept and design of HPS; and
- (d) supporting infrastructure for HPS including healthcare manpower planning and supply, healthcare service provision and regulatory framework for HPS and private health insurance ("PHI").

3. The terms of reference and membership of the Subcommittee are set out in **Annexes I and II** respectively.

### **Work of the Subcommittee**

4. Under the chairmanship of Dr Hon LEUNG Ka-lau, the Subcommittee has held 10 meetings since 12 December 2012 to study the following major issues -

- (a) role of public and private healthcare sectors and the Administration's latest efforts in facilitating the development of healthcare services for meeting future demands;
- (b) healthcare manpower planning and professional development;
- (c) design of PHI policies regulated under HPS;
- (d) public funding support for the implementation of HPS; and
- (e) institutional framework for the governance and operation of HPS, including the set up of a dedicated regulatory agency and the establishment of a claims dispute resolution mechanism ("CDRM").

### **Need for continuation of work**

#### Design of PHI policies regulated under HPS

5. HPS is meant to be a supplementary financing arrangement that complements the public healthcare system. It is expected that with the introduction of HPS for those who are willing and able to afford private healthcare services through making use of their PHI cover, resources in the private sector can be better utilized to meet community needs so as to enable the public sector to focus on providing services in its target areas. A Working Group and Consultative Group on HPS have been set up under the Health and Medical Development Advisory Committee to make recommendations on matters concerning the implementation of HPS. To facilitate the work of the Working Group and Consultative Group, the Administration commissioned the PricewaterhouseCoopers Advisory Services Limited ("the Consultant") to conduct a consultancy study to provide professional and technical advice on, among others, the formulation of a viable and sustainable product design for HPS.

6. Members have raised various concerns over the design of PHI policies to be regulated under HPS as recommended by the Consultant, including the desirability of introducing a set of Minimum Requirements to all individual-based indemnity hospital insurance products after the launch of HPS, the estimated average standard premium per insured person under the HPS Standard Plan, the appropriate entry age limit for guaranteed acceptance and the premium loading cap proposed for the HPS Standard Plan, the feasibility of the "informed financial consent" and "no-gap/known gap" arrangements, and migration of existing PHI policies to policies that complied with the Minimum Requirements.

#### Public funding support for the implementation of HPS

7. The Subcommittee notes the Administration's preliminary proposal on areas where public funding will be considered to ensure the viability and sustainability of HPS. These include funding injection into the High Risk Pool ("HRP") (i.e. the separate pool for the Standard Plan policies of high-risk individuals) to be set up under the regulatory agency for HPS, and tax deduction for premiums paid for individual-based indemnity hospital insurance policies that comply with the Minimum Requirements and voluntary supplementary plans purchased by individuals on top of their group-based indemnity hospital insurance policies. According to the Consultant, the funding injection required for financing HRP for the period of 2016 to 2040 is \$4.3 billion.

#### Institutional framework for the governance and operation of HPS

8. The Subcommittee notes the Administration's proposal to set up a dedicated regulatory agency to perform the functions essential for ensuring a smooth implementation and operation of HPS, and to ensure that the policy objectives of HPS can be achieved. While in the long run the regulatory agency could take the form of a statutory body, the Administration considers that it should be set up as an administrative unit under the Food and Health Bureau in the interim. Separately, a CDRM will be established under HPS to provide an independent and credible claims dispute resolution channel for policyholders of HPS. Subject to the caseload of CDRM, it is proposed that secretariat support to CDRM could be taken up by the regulatory agency. The Administration will work out the detailed institutional frameworks for the above two proposals.

9. The original plan of the Administration was to consult the public on the proposal for implementation of HPS within the first half of 2014. In September 2014, the Administration has advised the Subcommittee that its current plan is to put forth the HPS proposal for public consultation by the end of 2014, in conjunction with the public

consultation exercise on regulation of private healthcare facilities. The Administration will brief the Subcommittee on the HPS proposal upon the launch of the public consultation exercise. It is incumbent upon the Subcommittee to actively participate in the public consultation, follow up the report on the public consultation to be published, and the final proposal to be formulated by the Government for the implementation of HPS.

### Healthcare manpower planning and professional development

10. As a step to take forward HPS, the Administration has set up the Steering Committee on Strategic Review on Healthcare Manpower Planning and Professional Development ("the Steering Committee") in January 2012. It is tasked to formulate recommendations on how to cope with anticipated demand for healthcare manpower, strengthen professional training and facilitate professional development, with a view to ensuring the healthy and sustainable development of the healthcare system. The review covers primarily the 13 healthcare professions under statutory regulation<sup>1</sup>. The University of Hong Kong ("HKU") and the Chinese University of Hong Kong ("CUHK") are commissioned to provide professional input and technical support to the review.

11. The Subcommittee considers that the success of HPS hinges on having an adequate supply of healthcare manpower to meet the rising private healthcare service demand, including those arising from the implementation of HPS, and a regulatory framework that is conducive to quality improvement and professional development. It notes that given the complexity of the task, more time than expected is required for HKU in coming up with the projection on the manpower demand for healthcare professionals from the designated disciplines. According to the Administration, the forecasts for doctors, dentists and nurses (including midwives) will be available in around two months' time, and that of the remaining nine professions will follow. The study of CUHK on the local and overseas regulatory frameworks is also progressing in full swing. The Subcommittee will continue to monitor the progress of the two commissioned studies, invite views from relevant stakeholders on the findings of the studies and follow up the recommendations on healthcare manpower planning and professional development to be drawn up by the Steering Committee.

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<sup>1</sup> The 13 healthcare disciplines are medical practitioners, dentists, dental hygienists, nurses, midwives, Chinese medicine practitioners, pharmacists, chiropractors, medical laboratory technologists, occupational therapists, optometrists, radiographers and physiotherapists.



Proposed extension of period of work

12. Rule 26(c) of the House Rules provides that a subcommittee should complete its work within 12 months of its commencement and report to the relevant Panel(s). If it is necessary for a subcommittee to work beyond that 12 months, the subcommittee should, after obtaining the endorsement of the relevant Panel(s), report to the House Committee and give justifications for an extension of the 12-month period. In accordance with the said House Rule, approval was previously given by the House Committee at its meeting on 15 November 2013 for the Subcommittee to extend the period of its work after expiry of the 12-month period in December 2013 until 3 November 2014.

13. The work of the Subcommittee ties in with the progress of the Administration's work on taking forward HPS. Having regard to the outstanding matters which need to be followed up by the Subcommittee as set out in paragraphs 5 to 11 above and the time required by the Subcommittee to conclude its work and finalize its recommendations, the Subcommittee considers it necessary to seek further extension of the period of its work and continue to operate in the 2014-2015 legislative session. The Panel on Health Services has agreed that the Subcommittee should seek the endorsement of the House Committee accordingly.

**Advice sought**

14. Pursuant to rule 26(c) of the House Rules, Members are invited to note the progress of work of the Subcommittee and endorse the proposal of the Subcommittee to extend the period of its work and continue to operate in the 2014-2015 legislative session (i.e. until 30 September 2015).

**Panel on Health Services**

**Subcommittee on Health Protection Scheme**

**Terms of reference**

To study issues relating to the introduction of the Health Protection Scheme as proposed by the Government for the second stage public consultation on healthcare reform and make recommendations where necessary.

**Panel on Health Services**

**Subcommittee on Health Protection Scheme**

**Membership list**

**Chairman** Dr Hon LEUNG Ka-lau

**Members** Hon Vincent FANG Kang, SBS, JP  
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN  
Hon CHAN Kin-por, BBS, JP  
Hon CHEUNG Kwok-che  
Hon YIU Si-wing  
Hon Charles Peter MOK, JP  
Hon CHAN Han-pan, JP  
Hon Alice MAK Mei-kuen, JP  
Dr Hon KWOK Ka-ki  
Hon POON Siu-ping, BBS, MH

(Total : 11 members)

**Clerk** Ms Maisie LAM

**Legal adviser** Ms Wendy KAN

**Date** 28 October 2014

**立法會**  
***Legislative Council***

LC Paper No. CB(1)146/14-15

Ref : CB1/PS/1/12

**Paper for the House Committee meeting on 31 October 2014**

**Continuation of work of the  
Subcommittee on Matters Relating to Railways**

**Purpose**

This paper reports on the progress of work of the Subcommittee on Matters Relating to Railways ("the Subcommittee") formed under the Panel on Transport and the need for the Subcommittee to continue its work in the 2014-2015 legislative session.

**Background**

2. The Subcommittee was appointed by the Panel on Transport on 16 November 2012 to follow up various issues relating to the planning and implementation of new railway projects, and the operation of existing railways. The Subcommittee will follow up on the recommendations of the former Subcommittee formed in the Fourth Legislative Council and focus its work on the following areas –

Planning and implementation of new railway projects

- (a) planning and financing of new railway projects;
- (b) environmental impact assessment of new railway projects;
- (c) resumption of land arising from the implementation of new railway projects under the Railways Ordinance (Cap. 519);
- (d) progress update on the implementation of new railway projects;

- (e) provision of supporting public infrastructure for new railway projects; and
- (f) co-ordination of public transport services arising from the commissioning of new railway lines.

### Railway operation

- (a) performance of existing railway lines including train service performance and safety management;
- (b) maintenance programme; and
- (c) train service disruptions and breakdowns, and arrangements for handling emergency situations.

3. The terms of reference and membership of the Subcommittee are set out in **Annexes I** and **II** respectively.

### **Work of the Subcommittee**

4. The Subcommittee has, since 16 November 2012, held a total of 16 meetings and received views of deputations at one of these meetings. Major issues studied by the Subcommittee include –

- (a) Implementation of new railway projects
  - (i) progress update on the implementation of the West Island Line ("WIL"), the Hong Kong Section ("HKS") of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL"), South Island Line (East) ("SIL(E)", Kwun Tong Line Extension ("KTE") and Shatin to Central Link ("SCL");
  - (ii) construction safety and community liaison works carried out by the MTR Corporation Limited ("MTRCL") for WIL, HKS of XRL, SIL(E), KTE and SCL;
  - (iii) implementation of the MTR Station Art Programme for WIL, HKS of XRL, SIL(E), KTE and SCL;

- (iv) co-ordination of public transport services arising from the commissioning of WIL and SIL(E);
  - (v) safety management measures for trains of HKS of XRL; and
  - (vi) new railway system for SIL(E), including the Fully Automatic Operation.
- (b) Operation of existing railways
- (i) railway service performance, including train service performance and safety management;
  - (ii) causes of MTR service disruptions and respective contingency arrangements;
  - (iii) causes of Light Rail incidents and enhancement measures to avoid recurrence of similar incidents;
  - (iv) progress of the retrofitting of automatic platform gates ("APGs") along the East Rail Line ("ERL") and the Ma On Shan Line ("MOSL") and their related financial arrangements;
  - (v) rail inspection regime of MTRCL, including the issue on outsourcing of maintenance staff; and
  - (vi) the capacity of MTR trains and management of loading in train compartments to enhance comfort and the travelling experience for passengers.
- (c) Planning of new railway projects
- (i) progress of the Administration's study for the Review and Update of the Railway Development Strategy 2000 ("RDS-2000"); and
  - (ii) the Administration's proposal of seven local enhancement schemes for existing railway lines.

5. The Subcommittee has also conducted three site visits. On 24 June 2013 and 28 April 2014, the Subcommittee visited the West Kowloon Terminus of HKS of XRL to better understand the progress of the works. On 10 January 2014, the Subcommittee conducted another site visit to MTR Shatin Freight Yard and Racecourse Station to better understand the works progress of retrofitting APGs at ERL stations.

## **Need for continuation of work in the 2014-2015 session**

### Implementation of new railway projects

6. The Subcommittee will need to continue with its work to monitor the implementation of new railway projects in the pipeline. RDS-2000 was announced back in May 2000 when only six railway lines and the Light Rail were operating in Hong Kong. To implement the policy of using railways as the backbone of the passenger transport system, eight railway projects were completed between 2002 and 2009<sup>1</sup>. Five new railway projects, namely WIL, HKS of XRL, SIL(E), KTE and SCL, are now under construction and as mentioned in paragraph 4, the Subcommittee has been monitoring the implementation of the five railway projects. Nevertheless, the Administration in mid-2014 announced that the said projects encounter different difficulties and challenges at the construction stage and therefore, they are unlikely to be completed as originally scheduled. The Subcommittee was briefed that the projects were expected to be commissioned in succession between the end of 2014/early 2015 and 2020/2021.

7. At the meetings on 5 May and 19 May 2014, the Subcommittee was advised that MTRCL was unable to complete the construction of HKS of XRL by the original target of 2015. The Subcommittee pressed questions on whether MTRCL and public officers had deliberately concealed the facts and provided false information to the Legislative Council, and enquired about the revised target completion date, any possible claims from contractors and increase in the approved project sum. It is envisaged that the Subcommittee will need to continue to monitor the implementation of HKS of XRL, which is expected to be commissioned in 2017, and the possible increase in project costs.

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<sup>1</sup> The eight railway projects include: MTR Tseung Kwan O Line, West Rail, KCR Extension from Hung Hom to Tsim Sha Tsui, Ma On Shan to Tai Wai Rail Link, Disneyland Resort Line, Sheung Shui to Lok Ma Chau Spur Line, MTR Tseung Kwan O Extension (Phase II) and Kowloon Southern Link.

8. At the meeting on 17 June 2014, the Subcommittee was updated that MTRCL still maintained the target of opening the entire WIL in December 2014. However, as a prudent measure, and in the event that the Sai Ying Pun Station could not be opened in time, MTRCL would put in place a back-up plan to open WIL in December 2014 with trains not stopping at Sai Ying Pun Station. Under this scenario, the opening of Sai Ying Pun Station would follow in the first quarter of 2015. An announcement would be made later in 2014 to confirm the exact WIL opening date and whether the back-up plan would be necessary. As such, the Subcommittee will need to continue to keep in view the implementation of WIL and provision of supporting public infrastructure after commissioning of WIL.

9. Apart from WIL, the Subcommittee members were also briefed in June 2014 that the overall works of SIL(E) and KTE projects were not as far advanced as they should have been because construction programmes had been affected by the complexity of the construction methods required, tight space constraints in the highly-developed areas and the importance of maintaining safety for nearby communities and construction staff on site. According to MTRCL, both SIL(E) and KTE projects were about six months behind schedule as of June 2014, and that the original target of opening SIL(E) and KTE in 2015 could not be achieved. In this connection, the Subcommittee will need to continue in order to monitor the progress on the implementation of both projects and the possible increase in project costs.

10. At the Subcommittee meeting on 4 July 2014, members were briefed that archaeologists had unearthed monuments and antiques, including ancient wells, ceramic shards, coins and stone structures of the Song Dynasty and other periods, at the construction sites of SCL in To Kwa Wan. To ensure that the archaeological works would not be affected by the construction works of the To Kwa Wan Station of SCL project, MTRCL had suspended the construction works within the archaeological watching brief area. As a result, the sequence of some construction works had to be adjusted accordingly and the progress of the construction works had already been affected. The Administration estimated that there was a cumulative delay of at least 11 months for the Tai Wai to Hung Hom section. As far as the Hung Hom to Admiralty section was concerned, there was a risk in completing the works by the end of 2020 as scheduled. In view of the possible delays in the construction of SCL, the Subcommittee will need to continue to follow up the progress of the implementation of SCL.



## Operation of existing railways

11. At the meeting on 22 November 2013, the Subcommittee was updated on the latest progress of the retrofitting of APGs along ERL and MOSL and relevant financial arrangements. The Subcommittee noted that to carry out retrofitting of APGs along ERL platform, strengthening works had already taken place at the Racecourse Station during the summer break of horse racing in 2013. It was estimated that the retrofitting of APGs along all ERL stations would be completed by 2020. In addition, MTRCL also briefed members that modification works on MOSL had commenced in 2012 and were in good progress. It was expected that the works would be completed in 2017 to tie in with the commencement of SCL (Tai Wai to Hung Hom Section) in 2018. As a result, the Subcommittee will need to continue to follow up the progress of the retrofitting of APGs along ERL and MOSL and their related financial arrangements.

12. At the meetings on 20 December 2013 and 28 February 2014, the Subcommittee was briefed on the service suspension of the Tseung Kwan O Line and part of the Kwun Tong Line for nearly five hours on 16 December 2013. On 28 February 2014, the Subcommittee also noted that ERL incidents on 9 February and 18 February 2014 as well as the Light Rail incidents on 17 December 2013 and 22 January 2014 had been caused by faulty overhead line insulators. Members were gravely concerned about the contingency measures taken during the incident. In particular, members expressed dissatisfaction with the confusion in the dissemination of information to passengers, say the train service available and emergency bus arrangements. Members urged MTRCL to review or cease the outsourcing arrangements so as to improve the maintenance quality and avoid recurrence of similar incidents. In view of the frequency of railway service disruptions, the Subcommittee will need to continue to follow up the operation of existing railway lines.

## Planning of new railway projects

13. The Administration commissioned a consultant in March 2011 to conduct a study for the review and update of RDS-2000, with a view to updating the long-term railway development blueprint for Hong Kong's future. The Administration's target was to update RDS-2000 to meet the transport needs up to year 2031. The Administration conducted the Stage 1 Public Engagement Exercise from April to July 2012 which

featured conceptual schemes of three major regional railway corridors<sup>2</sup> for public discussion. Also, the Administration conducted the Stage 2 Public Engagement Exercise from February to May 2013 with a view to gathering public opinion on the seven local enhancement schemes<sup>3</sup> for existing railway lines.

14. The Subcommittee discussed the Railway Development Strategy 2014 ("RDS-2014") at its meeting on 27 October 2014. RDS-2014, which is an update of RDS-2000, provides a framework for planning the expansion of Hong Kong's railway network up to 2031. It recommends that seven railway projects be completed in the planning horizon up to 2031 having regard to transport demand, cost-effectiveness and the development needs of New Development Areas and other new developments. The proposed indicative implementation programme for the abovementioned seven railway projects is as follows –

<u>Railway projects under planning</u>	<u>Indicative implementation window for planning purpose</u>
(a) Northern Link and Kwu Tung Station	2018 – 2023*
(b) Tuen Mun South Extension	2019 – 2022
(c) East Kowloon Line	2019 – 2025*
(d) Tung Chung West Extension	2020 – 2024*
(e) Hung Shui Kiu Station	2021 – 2024*
(f) South Island Line (West)	2021 – 2026*
(g) North Island Line	2021 – 2026

\* Implementation of the schemes will be contingent upon the progress of the residential developments in the vicinity.

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<sup>2</sup> Hong Kong-Shenzhen Western Express Line, Northern Link and Coastal Railway between Tuen Mun and Tsuen Wan

<sup>3</sup> North Island Line, Siu Sai Wan Line, South Island Line (West), Tuen Mun South Extension, Hung Shui Kiu Station, Tung Chung West Extension and Kwu Tung Station

As regards the seven railway projects proposed by the Administration, the Subcommittee will need to continue to monitor the planning including the alignment, financing as well as the environmental impact assessment of those new railway projects.

#### Proposed extension of period of work

15. Rule 26(c) of the House Rules provides that a subcommittee should complete its work within 12 months of its commencement and report to the relevant Panel(s). If it is necessary for a subcommittee to work beyond that 12 months, the subcommittee should, after obtaining the endorsement of the relevant Panel(s), report to the House Committee and give justifications for an extension of the 12-month period. In accordance with the said House Rule, approval was previously given by the House Committee at its meeting on 15 November 2013 for the Subcommittee to extend the period of its work after expiry of the 12-month period in March 2014 until 4 December 2014.

16. The Subcommittee plays a role in monitoring the Administration and MTRCL to implement the new railway projects in the pipeline or under planning and the various issues arising from railway operations. Having regard to the matters which need to be followed up by the Subcommittee as set out in paragraphs 6 to 14 above, the Panel on Transport agreed by circulation that the Subcommittee should continue its work in the 2014-2015 session.

#### **Advice sought**

17. Pursuant to Rule 26(c) of the House Rules, members are invited to note the progress of work of the Subcommittee and endorse the proposal for the Subcommittee to continue its work in the 2014-2015 session.

Council Business Division 1  
Legislative Council Secretariat  
29 October 2014

**Panel on Transport**

**Subcommittee on Matters Relating to Railways**

**Terms of Reference**

To follow up various issues relating to the planning and implementation of new railway projects, and the operation of existing railways as follows:

Planning and implementation of new railway projects

- (a) planning and financing of new railway projects;
- (b) environmental impact assessment of new railway projects;
- (c) resumption of land arising from the implementation of new railway projects under the Railways Ordinance (Cap. 519);
- (d) progress update on the implementation of new railway projects;
- (e) provision of supporting public infrastructure for new railway projects; and
- (f) co-ordination of public transport services arising from the commissioning of new railway lines.

Railway operation

- (a) performance of existing railway lines including train service performance and safety management;
- (b) maintenance programme; and
- (c) train service disruptions and breakdowns, and arrangements for handling emergency situations.

Matters relating to corporate governance of the post-merger corporation and fares, including review of the fare adjustment mechanism, should be dealt with by the Panel on Transport.

**Panel on Transport**

**Subcommittee on Matters Relating to Railways**

**Membership list for 2014-2015 session**

<b>Chairman</b>	Hon CHAN Han-pan, JP
<b>Deputy Chairman</b>	Hon WONG Kwok-hing, BBS, MH
<b>Members</b>	Hon LEE Cheuk-yan Hon James TO Kun-sun Hon CHAN Kam-lam, SBS, JP Hon Ronny TONG Ka-wah, SC Hon CHAN Hak-kan, JP Hon Mrs Regina IP LAU Suk-yeet, GBS, JP Hon Paul TSE Wai-chun, JP Hon LEUNG Kwok-hung Hon Claudia MO Hon Michael TIEN Puk-sun, BBS, JP Hon Frankie YICK Chi-ming Hon WU Chi-wai, MH Hon Gary FAN Kwok-wai Dr Hon Elizabeth QUAT, JP Hon TANG Ka-piu, JP Ir Dr Hon LO Wai-kwok, BBS, MH, JP Hon Christopher CHUNG Shu-kun, BBS, MH, JP Hon Tony TSE Wai-chuen, BBS
	(Total: 20 members)
<b>Clerk</b>	Ms Sophie LAU
<b>Legal Adviser</b>	Miss Evelyn LEE
<b>Date</b>	27 October 2014

**Position of subcommittees on policy issues  
(as at 29 October 2014)**

<b>Subcommittees on policy issues</b>	<b>Date of first meeting</b>	<b>End date of approved period of work</b>
1. Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project under <b>the Panel on Home Affairs and the Panel on Development</b>	29 January 2013	30 September 2014*
2. Subcommittee on Health Protection Scheme under <b>the Panel on Health Services</b>	12 December 2012	3 November 2014*
3. Subcommittee on Matters Relating to Railways under <b>the Panel on Transport</b>	30 November 2012	4 December 2014*
4. Subcommittee on Poverty under <b>the House Committee</b>	5 November 2012	18 January 2015*
5. Subcommittee on Retirement Protection under the <b>Panel on Welfare Services</b>	25 February 2014	24 February 2015
6. Subcommittee on Issues Relating to Public Markets under <b>the Panel on Food Safety and Environmental Hygiene</b>	25 March 2014	24 March 2015
7. Subcommittee on Hawker Policy under <b>the Panel on Food Safety and Environmental Hygiene</b>	15 April 2014	14 April 2015
8. Subcommittee to Study the Implementation of Free Kindergarten Education under <b>the Panel on Education</b>	27 October 2014	26 October 2015
9. Subcommittee on Issues Relating to the Development of Chinese Medicine under <b>the Panel on Health Services</b>	5 November 2014	4 November 2015
10. Subcommittee on Strategy and Measures to Tackle Domestic Violence under <b>the Panel on Welfare Services</b>	<i>Date of first meeting to be scheduled</i>	<i>12 months since commencement of work</i>

\* These subcommittees had previously obtained the permission of the House Committee in November 2013 to extend the period of their work beyond 12 months.