

# 立法會 *Legislative Council*

LC Paper No. CB(4)1349/17-18

Ref : CB4/PL/TP

## **Report of the Panel on Transport for submission to the Legislative Council**

### **Purpose**

This report gives an account of the work of the Panel on Transport ("the Panel") during the 2017-2018 legislative session. It will be tabled at the Council meeting on 11 July 2018 in accordance with Rule 77(14) of the Rules of Procedure.

### **The Panel**

2. The Panel was formed by a resolution passed by the Legislative Council ("LegCo") on 8 July 1998 and as amended on 20 December 2000, 9 October 2002, 11 July 2007 and 2 July 2008 for the purpose of monitoring and examining government policies and issues of public concern relating to transport matters. The terms of reference of the Panel are at **Appendix I**.

3. The Panel comprises 40 members, with Hon Frankie YICK Chi-ming and Hon LAM Cheuk-ting elected as Chairman and Deputy Chairman of the Panel respectively. The membership list of the Panel is at **Appendix II**.

### **Major Work**

#### Railway matters

4. Railway plays a key role in Hong Kong's transport system. The Administration reaffirmed its intent to continue to adopt the policy to use the railway as the backbone of the public transport system in the Final Report of the Public Transport Strategy study ("PTSS") released in June 2017. A subcommittee was formed under the Panel to continue to follow up on matters relating to railway planning, implementation and

operation.<sup>1</sup> During the period from October 2017 to June 2018, the Subcommittee on Matters Relating to Railways held five meetings. The work of the Subcommittee is summarized in its report at **Appendix III**.

### Public transport services

#### *MTR fare adjustment for 2018*

5. The MTR Corporation Limited ("MTRCL") is the sole provider of railway service to more than five million passenger trips a day in Hong Kong. MTRCL fares are reviewed once every calendar year under the Fare Adjustment Mechanism ("FAM"). At its meeting on 18 May 2018, the Panel was briefed on the MTRCL's fare adjustment in 2018, which would be implemented in accordance with FAM as reviewed in 2017. According to MTRCL, the overall fare adjustment rate for MTR fares in 2018-2019 came to +3.14%.

6. Members were generally dissatisfied that MTRCL would increase the fares according to FAM despite its hefty profits. Noting that the fare increase in 2018-2019 was inflated by carrying forward the fare increase rate of 1.49% from 2017-2018, some members requested MTRCL to forgo the said 1.49% so as to alleviate the burden on the public. They also urged the Administration and MTRCL to conduct a review on FAM again.

7. In response, the Administration explained that the existing FAM had been put in place since the rail merger in 2007 to replace the fare autonomy that MTRCL until then enjoyed. Under the FAM, fare adjustments of MTRCL were made through a direct-drive formula that took into account economic figures released by the Government. The latest review was conducted in 2017 and the review outcome would be applicable to the fare adjustment of the six-year period from 2017-2018 to 2022-2023.

8. The Panel noted that MTRCL would offer a total fare concessions of \$222.5 million, including \$200 million from the "Profit Sharing Mechanism" and \$22.5 million from the "Service Performance Arrangement", to passengers. Upon the implementation of new fares, MTRCL would provide the "3% Rebate" to Octopus users for at least six

---

<sup>1</sup> According to the terms of reference of the subcommittee, 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.

months. MTRCL would also continue to offer MTR City Saver, Monthly Pass Extras, and a wide range of fare concessions and promotional schemes every year. Members in general considered that more fare concessions should be offered to passengers, such as offering "3% Rebate" to Octopus users for one year and freezing the monthly ticket fares.

9. The Panel noted that the provision for fare concessions under "Service Performance Arrangement" had been increased. Under the new arrangement, the maximum amount to be given back to passengers by MTRCL for each serious service disruption, defined as disruptions of 31 minutes or above caused by factors within MTRCL's control, had been increased from \$15 million to \$25 million.

10. Some members considered that the level of penalty per incident of train service disruption lasted more than one hour and less than four hours should also be adjusted upward to increase the deterrent effect. In the long-run, they urged MTRCL to improve its maintenance of railway systems by applying advanced technologies.

11. In response, the Administration explained that the existing level of penalty per incident of train service disruption under the "Service Performance Arrangement" was considered appropriate. For heavier penalties, frontline staff might rush their repair works under undue pressure, thereby putting railway safety at risk. Further, MTRCL assured members that it would spare no effort to enhance its maintenance of railway networks.

#### *Public Transport Fare Subsidy Scheme*

12. The Panel was briefed in January 2018 that the Administration's policy objective of introducing the Public Transport Fare Subsidy Scheme ("PTFS Scheme"), which was included in the 2017 Policy Address, was to relieve the fare burden of commuters who travelled on local transport services for daily commuting and whose public transport expenses were relatively high, for example commuters who resided in remote areas. It was noted that the Administration would provide fare subsidy amounting to 25% of the actual expenses in excess of \$400 a month, subject to a maximum of \$300 per month.

13. Some Panel members raised questions on the implementation time table and the reason why no means tests would be applied to the PTFS Scheme. In reply, the Administration advised that the PTFS Scheme

could be rolled out in first quarter of 2019, and that while introducing means test to the PTFS Scheme would have its own merits, it would inevitably increase the administrative costs and would cause inconvenience to the public. The Administration further explained that the main consideration when designing the PTFS Scheme was to make it simple, easy to understand and operate so that the PTFS Scheme could be rolled out as soon as possible to benefit the commuters.

14. While members expressed support to the PTFS Scheme and its submission to the Finance Committee ("FC"), the Panel urged the Administration to explore means to provide more diversified electronic payment platforms under the PTFS Scheme and to introduce measures to minimize the risks of abuse, such as the collection and analysis of the usage data under the PTFS Scheme and follow-up on abuse cases, if any. The Administration agreed to conduct a review around one year after its implementation.

*Progress of implementation of measures under Public Transport Strategy Study*

15. The Public Transport Strategy Study ("PTSS") is a systematic review on the overall strategic arrangements of the public transport services other than the heavy rail. On 7 June 2017, the Administration released a consolidated report on the PTSS.

16. The Panel held a special meeting with the Administration and deputations/individuals on 22 January 2018 to collect views of the public on the PTSS. And then in May 2018, the Panel was briefed at a meeting on the latest implementation progress of various measures recommended under the PTSS.

17. The Panel noted that the rolling out of pilot projects to improve the air quality inside existing covered public transport interchanges was one of the measures recommended under the PTSS. Nevertheless, some members were concerned that the reading of one-hour average concentration of nitrogen dioxide in more than half of the 64 public transport interchanges under the management of Transport Department ("TD") far exceeded the limit prescribed in the Air Quality Objectives of Hong Kong to the detriment of the health of members of the public. Hence, the Panel passed a motion, requesting the Administration to implement measures (e.g. exploring the feasibility to deploy buses of the Euro V standard or above to serve routes passing through public transport

interchanges) to reduce the risk of members of the public being exposed to excessive air pollutants and protect their health.

18. Regarding the franchised bus services, members noted that the Administration currently adopted bus occupancy rates as the main consideration for either increasing or reducing bus service frequencies. They passed a motion, urging the Administration to make legislative amendments to revise the standard of having the number of standees per square metre from six to four, in line with the practice of the MTRCL. Further, another motion was passed to request the Administration to consult the public and district councils before making changes to the routes and frequencies of franchised bus services.

19. As regards the public light bus services, some members were worried that the problems of prolonged working hours and insufficient rest time of public light bus drivers were serious, affecting passenger and road safety. As a result, the Panel passed a motion, requesting the Administration to further review the requirements on the maximum duty length of 14 hours and the maximum driving time of 11 hours stipulated in the existing Guidelines on the Working Hours of Green Minibus Drivers, and revise the aforesaid maximum hours to 12 and 10 respectively, so as to align with the Guidelines on Bus Captain Working Hours, Rest Times and Meal Breaks which was recently revised in early 2018.

20. Some members noted that the Administration was exploring the introduction of a demerit point system for taxi driving licences with a view to enhancing the deterrent effect against breaches of regulations. They urged the Administration to explore the implementation of the installation of cameras inside taxi compartments to facilitate the gathering of evidence by law enforcement agencies. A motion was passed in this regard.

21. Concerning the ferry service, members also passed a motion, urging the Administration to review and study inner harbour ferry routes, and explore the provision of piers and ferry feeder routes in the West Kowloon Cultural District, Hung Hom, the Kai Tak Development Area and so on. They considered that it would not only help alleviate the pressure of road traffic congestion, but also provide members of the public and visitors with transport alternatives.

22. Some members expressed that PTSS did not help to improve the problems concerning the existing arrangement of the public transport

system. It also lacked a comprehensive blueprint as well as short-, medium- and long-term objectives and strategies on issues including the operational service models between all the existing forms of public transport, the application of new forms of transportation, the way forward for e-hailing car services, promotion of commuting by bicycles, and improvement to the pedestrian environment. Therefore, the Panel passed a motion, urging the Administration to expeditiously launch the Fourth Comprehensive Transport Study to deal with the above issues and devise a comprehensive blueprint for short-, medium- and long-term objectives and strategies, and report the progress to the Panel on a regular basis.

*Operational arrangements for the Hong Kong-Zhuhai-Macao Bridge and the Hong Kong Port*

23. The Panel was consulted on the operational arrangements for the Hong Kong-Zhuhai-Macao Bridge ("HZMB") and the Hong Kong Port at its meeting on 18 May 2018. On the cross-boundary transport arrangements at HZMB, members expressed concern about the closure arrangement of HZMB due to strong wind and urged that sufficient advance notices should be given to drivers heading to HZMB in case of closure. Members also requested the Administration to establish measures to prevent speculative activities of cross-boundary permit quotas.

24. Members noted that non-franchised buses which provided pick-up service at the Hong Kong Port public transport interchange ("PTI") would be required to submit application online to TD beforehand and would be charged a fee if they stayed beyond a specified time at PTI. To avoid congestion at PTI, some members considered that the fees to be charged should have a deterrent effect which was supported by the trade.

25. Members also raised concern over the other operational issues relating to the traffic and transport arrangements of HZMB and the Hong Kong Port, including parking spaces at Hong Kong Port, tolls for using HZMB, motor insurance, emergency rescue arrangement in case of traffic accidents and the HZMB Macao Port Park-and-Ride Scheme.

26. In response to members' concern over the emergency rescue arrangement, the Administration advised that rescue departments of Hong Kong, Macao and the Mainland would be responsible for handling accidents occurred within their own jurisdictions in accordance with the territoriality principle. The rescue departments of the three places would

seek assistance and render appropriate support to each other according to needs in case of serious accidents.

### *Parking Policy*

27. In the 2016-2017 session, the Panel was briefed by the Administration on its policy on provision of parking spaces, as well as measures to mitigate shortage of parking spaces. Members noted that the Administration would accord priority to considering and meeting the parking demand of commercial vehicles, and would commence a two-year consultancy study within 2017 to formulate appropriate measures. In December 2017, the Panel held a public hearing, inviting deputations/individuals to present their views on parking policy.

28. Some members expressed grave concern about the shortage of parking spaces and the rapid growth in the number of private cars, and urged the Administration to take measures to control growth of the private car fleet, so as to ease traffic congestion.

29. The Panel also urged the Administration to review the Hong Kong Planning Standards and Guidelines ("HKPSG") from time to time to cater for the changing circumstances of the society. A member queried about the provision ratio of private car parking spaces in hospitals and that the allocation of parking spaces in different districts was found to be uneven. Another member queried whether sufficient number of parking spaces had been provided in the recently built public housing estates and government buildings and the HKPSG had been met.

30. The Administration advised that the HKPSG was a dynamic guideline and that in the past 15 years, the supply of parking spaces had been decreased in some of the past revisions but had also been increased in the other revisions to cater for the changing needs. The Administration would continue to review the HKPSG from time to time. Among others, utilization of various types of parking spaces in different districts during the day and night time would be taken into account too. The Administration emphasized that before making the revisions, different stakeholders, including the transport trade would be consulted. The Administration further advised that in order to provide incentives to developers to encourage them to provide underground public parking spaces, the Buildings Department had revised the guidelines in March 2017. Subject to the compliance with certain criteria, underground public car parks in private developments might be granted 100% gross floor area concession.

31. A member expressed his concern about illegal parking and pointed out that illegal parking was very serious in the NT North District and residents were complaining about road obstruction caused by illegal parking. On the other hand, commercial vehicle drivers were also complaining that the lack of parking spaces had affected their livelihood and thus they were forced to park their vehicles illegally. The Administration was urged to formulate district-based parking policy to cater for the unique needs of each district.

32. A member expressed specific concerns over the mismatch between the demand and supply of parking spaces for non-franchised buses, particularly tour coaches. Some members also enquired about the parking arrangement of school buses and urged the TD and the Education Bureau to accord priority to work out the feasibility and detailed arrangement for parking of school buses within the school premises.

### Transport infrastructure

#### *Widening of Tai Po Road (Sha Tin Section) – Construction*

33. The Panel was consulted in January 2018 on the funding application for upgrading 861 TH "Widening of Tai Po Road (Sha Tin Section)" to Category A at an estimated cost of \$2,739.7 million in money-of-the day ("MOD") prices. Members noted the Administration's plan to commence the construction works in the second quarter of 2018 for completion in the second half of 2023, subject to the funding approval by FC in the 2017-2018 legislative year.

34. In view of the traffic congestion at Tai Po Road (Sha Tin Section) during peak hours, members urged for early implementation of the Tai Po Road Project. They suggested the Administration to explore ways to proceed with different phases of the construction works in parallel. The Administration advised that Civil Engineering and Development Department ("CEDD") had planned to initiate parallel tendering for the contract in order to start the construction works as soon as possible and would strive to compress the work phases as far as practicable and closely work with contractor(s) on the streamlining of work procedures.

35. Some members also expressed that mitigation measures should be taken to minimize the noise impact and air pollution caused to the nearby residents by the road widening works, and to prevent the congestion problem from worsening during the construction period.



36. A few members also took the opportunity to suggest that the Administration should work out other means to solve the congestion problem, for instance, the construction of a Shatin Bypass and implementation of other major road projects as the long term measures because this road section might be operated beyond its capacity a few years after completion of the widening works. The Administration advised that to alleviate traffic congestion of North East New Territories, an overall review would be included under the "Strategic Studies on Railways and Major Roads beyond 2030" with a view to working out long-term measures.

*Cross Bay Link, Tseung Kwan O – Construction*

37. The Panel was consulted on 23 February 2018 on the Administration's proposal for upgrading "7822TH–Cross Bay Link, Tseung Kwan O" ("CBL") to Category A at an estimated cost of \$5,625.7 million in MOD prices.

38. Members indicated support of the CBL project and urged for early implementation of it and questioned why the Administration took such a long time to submit the funding proposal while the CBL project had been authorized by the Chief Executive in Council as early as in 2014. Members were advised that CBL, being a marine project, involved the construction of a marine viaduct across the Junk Bay. Members were briefed that the adoption of a steel arch design for the marine viaduct, which aimed to allow sufficient fairway for sea transport, would be the first of its kind in Hong Kong. Thus, more time was required for carrying out detailed site investigation and water study for the CBL project.

39. In response to members' enquiry, the Administration advised that it was the target of the Administration to seek funding support and approval from the Public Works Subcommittee and FC respectively within the 2017-2018 legislative year such that CEDD could commence the construction works in the second half of 2018 for completion in around 2022. A member expressed concern that since the commissioning of CBL (i.e. in 2022) would lag behind that of Tseung Kwan O-Lam Tin Tunnel ("TKO-LTT") (i.e. in 2021) for one year, the traffic congestion problem in Tseung Kwan O ("TKO") town centre would become serious.

40. Some members expressed the wish that the commissioning of CBL could dovetail with that of TKO-LTT and hoped that measures would be adopted to expedite the progress of constructing CBL. In response, the Administration advised that to expedite the construction process of CBL,

the Administration had simplified the design and standardized some works procedures, such as the usage of precast segments.

41. A few members expressed their appreciation of the design of CBL, including the footpath and a cycle track along the carriageway, which would not only facilitate residents but also provide a good sight-seeing spot in TKO. Another member also expressed appreciation that the request from the telecommunications industry for installing communication equipment on the bridge of CBL to facilitate the development of data centres had been accepted by the Administration.

42. Some members raised concern about the traffic impacts on East Kowloon and Eastern Harbour Crossing ("EHC") upon the commissioning of CBL. The Administration explained that CBL would provide an alternative external road connection to and from the south-eastern part of TKO without travelling through the TKO town centre, hence facilitating the traffic flow in TKO. Besides, CBL, together with TKO-LTT, would also relieve the traffic congestion problem at TKO Tunnel. The Administration further advised that several transport infrastructures were under construction or planning. For examples, there would be a slip road of TKO-LTT connecting to EHC without routing through Lam Tin; CBL and TKO-LTT, together with the Central Kowloon Route and Trunk Road T2 would provide an express route linking East and West Kowloon.

#### *Trunk Road T2 and Cha Kwo Ling Tunnel– Construction*

43. The Panel was consulted on 15 June 2018 on the Administration's proposal for upgrading "785TH–Trunk Road T2 and Cha Kwo Ling ("CKL") Tunnel - Construction" to Category A at an estimated cost of \$16,017 million in MOD prices.

44. Members noted that the Administration planned to commence construction works of Trunk Road T2 and CKL Tunnel in the second half of 2019 for completion in around 2025 in tandem with the Central Kowloon Route, subject to the funding approval of FC in the next legislative session.

45. Members generally supported the Administration's proposal. Some members urged for early completion of the Trunk Road T2 and CKL Tunnel so as to improve the traffic condition of Kowloon East, in particular, to relieve the traffic at the existing key road links including TKO Tunnel, Kwun Tong Bypass and Kwun Tong Road.

46. Members also noted that the alignment of Trunk Road T2 and the CKL Tunnel would pass through the Kai Tak New Acute Hospital ("NAH") and that the construction of NAH was expected to be completed in 2024. If the construction of the above road and tunnel could not commence as planned leading to completion substantially beyond the commissioning of the NAH, the difficulty and cost of the construction works might be significantly increased due to adoption of necessary extensive noise mitigation measures.

47. Members urged the Administration to take measures to avoid possible works delay and to control the cost of the construction works. Among others, the Administration should ensure that the detailed design and the site investigation had included a comprehensive report of the condition of the marine ground near the site area concerned and that the contracts to be signed with the contractors should include penalty clauses in case of works delay.

48. Some members were concerned whether the Administration had conducted traffic impact assessment (which included projection on the traffic flow at the key junctions leading to NAH) with a view to ensuring a smooth operation of the emergency services to be provided by NAH and facilitating easy access to NAH by the users. In this regard, the Administration advised that the overall traffic assessment and road design had already taken into account the projected traffic flow at the vicinity of NAH and anticipated that the road links leading to NAH (including the route via Kwun Tong Bypass) would still be operating with spare capacity and smooth traffic flow.

49. A few members expressed concern about the environmental impact of the above construction works, in particular, the impact on residents of CKL Village. Some members suggested the Administration to consider completing land resumption and clearance of CKL Village before starting the construction works of Trunk Road T2 and CKL Tunnel and adjusting the construction method of the above mentioned road and tunnel with a view to shortening the construction time and lowering the cost. They urged the Administration to consider the feasibility of the above suggestion and work out the timeline of the necessary preparation work and the compensation plan(s) for CKL residents in case of land resumption and clearance.

*"Universal Accessibility" Programme*

50. The Panel had been closely monitoring measures to improve the pedestrian environment. Members were briefed in 17 November 2017 on the Administration's proposal to seek approval from FC for revision of the ambit of the block allocation Subhead 6101TX – "Universal Accessibility ("UA") Programme" under Capital Works Reserve Fund Head 706 – "Highways" to support the implementation of the next phase of the UA programme, and for an allocation of \$730 million in 2018-2019.

51. Members welcomed the Administration's plan to implement the Next Phase under which the UA Programme would be expanded to cover also walkways which were not public walkways maintained by the Highways Department ("HyD") provided that four specific criteria<sup>2</sup> were met.

52. Some members expressed concern about the criteria of selecting projects by District Councils ("DCs") for priority implementation and queried the appropriateness of the allocation of a maximum of three walkways equally to each district. A member suggested the Administration to consider making the population of each district a criterion so that large districts having more residents would be entitled to nominate more walkways. The Administration in response advised that in order to facilitate the reaching of consensus over the set of criteria for expanding the scope of the UA Programme and hence expedite the progress of implementation, the Administration had decided to use the criteria (including the allocation of a maximum of three walkways for each district) adopted in the previous round of consultation, and would take into account members' views and review the selection criteria and the allocation to each district in future as appropriate.

53. Members also expressed concern about the supply of manpower for retrofitting and maintaining such lifts. The administration advised

---

<sup>2</sup> The four criteria set out at paragraph 3 of LC Paper No. CB(4)182/17-18(03) were:

- (a) the walkways spanned across public roads maintained by the HyD;
- (b) they were open for public access from public roads at all times;
- (c) the walkways were not privately owned; and
- (d) the parties responsible for the management and maintenance of these walkways agreed to such lift retrofitting proposals and were willing to cooperate with the Government during the implementation of the said lift retrofitting works as well as the subsequent management and maintenance works of the lifts.

that based on the fact that the current number of lifts to be installed under the UA Programme would be about 250, in comparison with the current number of about 60 000 lifts in the territory, the additional manpower requirement for lift installation should be insignificant and that the existing manpower supply should not be over-stretched. The Administration supplemented that the Development Bureau and Construction Industry Council had been organizing relevant training programmes to meet the manpower demand.

54. In this connection, members passed the following motions-

- (a) "The DCs are very supportive of the "Next Phase" of the UA Programme and have selected 45 walkways for implementation of the lift retrofitting works. However, as the demand of DCs for the UA Programme is still very keen, I urge the Government to continue to implement the "Next Phase" of the UA Programme in every DC term so as to meet the aspirations of members of the local communities for installing additional barrier-free access facilities."
- (b) "This Panel urges the Government to expand the funding scope of the "Universal Accessibility" Programme to cover Tenants Purchase Scheme estates under the Hong Kong Housing Authority and the Housing Department, where flats are available for purchase, as well as subsidized sale flats, so as to facilitate the mobility needs of elderly residents in view of an ageing population."

*Legislative amendments on enhancing the safety requirements of road works*

55. The Panel was consulted on the legislative amendments on enhancing the safety requirements of road works. The Panel noted the Administration's proposal to include requirements of guarding measures in Road Traffic (Traffic Control) Regulations (Cap. 374G) ("the Regulations"). According to the Road Traffic Ordinance (Cap. 374), HyD has prescribed a "Code of Practice for the Lighting, Signing and Guarding of Road Works" ("the Code"), based on local experience with reference to standards of other countries, including the USA and Europe, and the Code will be updated as necessary. When carrying out road works, the contractor should follow the requirements of the Code to safeguard the safety of road users and road works operatives.

56. In view of the four traffic accidents involving roadworks operatives and works vehicles in mid-2016, the Administration indicated in July 2017 that it was considering relevant legislative amendment with a view to further strengthening the regulation of traffic control and guarding measures implemented during road works.

57. The Administration explained to the Panel that the existing legislation only specifies the requirements on lanterns, traffic signs and road markings at road works to be observed by the person responsible<sup>3</sup>; as well as the criminal liability of contravening such requirements. However, there is no corresponding explicit requirement on the provision of guarding under the Regulations. In view of the above observations, the Administration proposed to include requirements of guarding measures in the Regulations, i.e. the person responsible shall place suitable guarding equipment at appropriate position, for example, the use of temporary safety barrier or shadow vehicle for guarding road works ahead. Shadow vehicles should be equipped with truck mounted attenuator, amber flashing beacon, flashing arrow sign and barricade sign, in order to minimize the risk of a vehicle crashing into a work site during accident and to reduce the consequential damage and injury.

58. Some members considered that when amending the legislation on enhancing the safety requirements of road works, the Administration should review the penalties so as to achieve greater deterrent effect.

59. In view of the above, the Panel passed a motion, urging the Administration to increase the statutory criminal liability of contravening the requirements to enhance the safety of and provide guarding equipment for road works; and to stipulate, as a must, the penalties for works contractors in the legislative amendments on enhancing the safety requirements of road works.

#### *Implementation of a new generation of on-street parking meter system*

60. The Panel was briefed by the Administration on the implementation of a new generation of on-street parking meter system in January 2018. The Panel in general expressed support for the Administration's plan to install a new generation of parking meters, but

---

<sup>3</sup> According to regulation 19 of the Regulations, "person responsible" in relation to any road works, obstruction or excavation means the person under whose supervision or direction the road works are carried out or the obstruction or excavation is caused or made.

quite a number of members expressed their strong view against the Administration's proposed upward adjustment of the maximum fee for metered parking spaces.

61. Most members expressed support for the Administration's plan to introduce remote payment through mobile application, which allowed motorist to purchase up to a total of two sessions of the "longest parking period".

62. A member suggested to review the "longest parking period" for on-street parking spaces, which currently allowed for each transaction being fixed at 30 minutes, 1 hour or 2 hours. In response to the Panel's enquiry on the "longest parking period", the Administration clarified that under the existing legislation, any person could park a vehicle in a parking space for a continuous period of not more than 24 hours. The proposed payment arrangement through mobile application aimed at offering convenience to motorists. Moreover, the new parking meter was connected to the backend central system in real time through wireless networks. The data collected via the parking meters could be used for data analysis to facilitate traffic management.

63. At the meeting, the Panel suggested the Administration to note members' strong view against the proposed upward adjustment of the maximum fee for metered parking spaces; members' request to review the relevant provisions in the Road Traffic (Parking) Regulations (Cap. 374C), which in a way allow a motorist to park a vehicle in a parking space for a continuous period of 24 hours; and to consider possible enforcement action against prolonged occupation of parking spaces through repeated payment of parking fees in person.

64. In this connection, the Panel passed a motion, proposing to the Government that:

- (a) it should aim at seeking more payment systems or means when selecting the "clearing service contractor" through open tender and should not give preference to bids charging low transaction fees, with a view to attracting more prospective bidders; and
- (b) it should explore with the Police the installation of closed-circuit televisions to monitor vehicles with parking time expired and to take photographs of their licence plates for issuing fixed penalty tickets so as to enhance the deterrence

and save police manpower, thereby increasing the turnover of parking spaces.

### Other issues

#### *Serious traffic accident on Tai Po Road on 10 February 2018*

65. A serious traffic accident, which happened on 10 February 2018 and involved a Kowloon Motor Bus Company ("KMB") bus on Tai Po Road ("the February 10 accident"), resulted in a total of 19 fatalities and more than 60 injuries. A special meeting of the Panel was held on 15 February 2018 to discuss the follow-up actions taken by the Administration in the aftermath and issues relating to the regulation and training of franchised bus captains and road safety. Members noted at the meeting that the Chief Executive had announced that an independent committee chaired by a judge would be set up to comprehensively review the operation and monitoring of franchised buses to ensure that the franchised bus services in Hong Kong were safe and reliable ("the Independent Committee").

66. Members at the special meeting expressed that the February 10 accident had revealed various inadequacies of the current regime on the provision of franchised bus services, including manpower resources, training, remuneration and working conditions of bus captains and their driving attitudes. Members were disappointed to note that, despite the recurrence of serious bus accidents in recent years, KMB had not taken effective improvement measures to address the systemic problems which had affected the performance of bus captains. They called on the Independent Committee to recommend effective measures to solve the problems of the current regime on the provision of franchised bus services.

67. A member urged the Administration and KMB to review KMB's system to operate its bus services and the working conditions of bus captains. Another member also urged the Administration to take prompt measures to improve bus safety and should not wait until the Independent Committee had concluded its work.

68. The Administration advised the Panel that after the February 10 accident, it had been reviewing the road design and traffic management measures of Tai Po Road. Besides, the Administration had also been discussing with franchised bus companies and staff unions on how to enhance working conditions and remuneration of bus captains.



### *Other consultations*

69. The Panel received a briefing by the Secretary for Transport and Housing on 20 October 2017 on the transport policy initiatives featured in the Chief Executive's 2017 Policy Address.

70. In addition, the Panel was consulted on the proposed revisions of certain fees and charges relating to road traffic, new franchise for the "Star" Ferry Company, Limited, preliminary findings of the toll rationalisation study of three road harbour crossings and three land tunnels between Kowloon and Sha Tin, update of Road Users' Code, fare increase application from Hong Kong Tramways Limited and fare increase application by Citybus Limited and New World First Bus Services Limited. It also considered the following funding proposals:

- (a) Provision of Hillside Escalator Links and Elevator Systems and Elevated Walkway;
- (b) Installation of additional traffic detectors, Speed Map Panels and Journey Time Indication Systems; and
- (c) Creation of one permanent Principal Transport Officer post in Management and Paratransit Branch, one permanent Principal Transport Officer post in New Territories Regional Office and one permanent Chief Engineer post in Technical Services Branch of the Transport Department.

71. It was recalled that in connection with the above item (a), a subcommittee was formed in May 2017 to study related issues, with a view to expediting the progress of the implementation of projects of Hillside Escalator Link and Elevator System. The Subcommittee is expected to commence its work in the first half of 2019 as soon as a slot for the activation of the Subcommittee would become available.

### Meetings

72. During the period between October 2017 and mid-June 2018, the Panel held a total of 13 meetings. The Panel has scheduled another meeting for 20 July 2018 to receive briefing by the Administration on enhancing taxi service quality and safety for franchised bus operation.

Council Business Division 4  
Legislative Council Secretariat  
4 July 2018

**Legislative Council**

**Panel on Transport**

**Terms of Reference**

1. To monitor and examine Government policies and issues of public concern relating to transport.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy area prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

**Legislative Council**

**Panel on Transport**

**Membership list for 2017 - 2018 session\***

**Chairman** Hon Frankie YICK Chi-ming, SBS, JP

**Deputy Chairman** Hon LAM Cheuk-ting

**Members**

Hon Tommy CHEUNG Yu-yan, GBS, JP  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon CHAN Hak-kan, BBS, JP  
Hon WONG Kwok-kin, SBS, JP  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon Claudia MO  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon Steven HO Chun-yin, BBS  
Hon WU Chi-wai, MH  
Hon YIU Si-wing, BBS  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan, BBS, JP  
Hon LEUNG Che-cheung, SBS, MH, JP  
Dr Hon KWOK Ka-ki  
Dr Hon Helena WONG Pik-wan  
Dr Hon Elizabeth QUAT, BBS, JP  
Hon POON Siu-ping, BBS, MH  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon CHUNG Kwok-pan  
Hon Alvin YEUNG  
Hon Andrew WAN Siu-kin  
Hon CHU Hoi-dick  
Dr Hon Junius HO Kwan-yiu, JP  
Hon HO Kai-ming  
Hon Wilson OR Chong-shing, MH  
Hon CHAN Chun-ying, JP  
Hon Tanya CHAN  
Hon LUK Chung-hung, JP

Hon LAU Kwok-fan, MH  
Hon Kenneth LAU Ip-keung, BBS, MH, JP  
Dr Hon CHENG Chung-tai  
Hon KWONG Chun-yu  
Hon Jeremy TAM Man-ho  
Hon Gary FAN Kwok-wai  
Hon AU Nok-hin  
Hon Tony TSE Wai-chuen, BBS

(Total: 40 members)

**Clerk** Ms Sophie LAU

**Legal Adviser** Mr Alvin CHUI

\* Changes in membership are set out in Annex to Appendix II

## **Annex to Appendix II**

### **Changes in membership**

**(Year 2017-2018)**

<b>Member</b>	<b>Relevant date</b>
Hon WONG Ting-kwong, GBS, JP	Up to 24 October 2017
Hon Starry LEE Wai-king, SBS, JP	Up to 24 October 2017
Hon CHEUNG Kwok-kwan, JP	Up to 24 October 2017
Hon KWOK Wai-keung, JP	Up to 25 October 2017
Hon Abraham SHEK Lai-him, GBS, JP	Up to 25 October 2017
Dr Hon CHIANG Lai-wan, SBS, JP	Up to 14 January 2018
Dr Hon Fernando CHEUNG Chiu-hung	Up to 22 February 2018
Hon Tony TSE Wai-chuen, BBS	Since 21 March 2018
Hon AU Nok-hin	Since 22 March 2018
Hon Gary FAN Kwok-wai	Since 26 March 2018

**立法會**  
***Legislative Council***

LC Paper No. CB(4)1290/17-18

Ref : CB4/PS/1/16

**Report of the Subcommittee on Matters Relating to Railways  
for submission to the Panel on Transport**

**Purpose**

This report gives an account of the work of the Subcommittee on Matters Relating to Railways during the 2017-2018 legislative session.

**The Subcommittee**

2. The Panel on Transport ("the Panel") agreed at its meeting on 28 October 2016 to set up a Subcommittee on Matters Relating to Railways ("the Subcommittee"). The terms of reference and membership list of the Subcommittee are set out in **Appendices I and II** respectively.

3. Under the chairmanship of Hon Michael TIEN Puk-sun, the Subcommittee has discharged its functions according to its terms of reference and held five meetings (up to mid-June 2018) with the Administration and the MTR Corporation Limited ("MTRCL").

**Major work**

4. In the current session, the Subcommittee has followed up on various issues relating to the implementation of new railway project, and the operation of existing railways. The discussion of the Subcommittee with the Administration and MTRCL are summarized in the ensuing paragraphs.

### Implementation of new railway project

5. The Subcommittee has been monitoring closely the implementation of two railway projects near completion/under construction, namely:

- (a) the Hong Kong Section ("HKS") of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL"); and
- (b) the Shatin to Central Link ("SCL").

These two projects are implemented under the concession approach,<sup>1</sup> and the relevant key information is given in **Appendix III**.

#### *Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link*

6. The Subcommittee had continued to follow up on the construction of HKS of XRL. Members had been keenly concerned about the slippage of the project and the resultant increase in the project costs. To recap, the Administration and MTRCL announced in April 2014 that it would be impossible to complete the construction of HKS of XRL by the original target of 2015 due to inclement weather and difficult geological conditions; and the completion date would be postponed to 2016 with the line ready for operation in 2017.

7. On 30 June 2015, MTRCL submitted a revised programme to complete ("PTC") and cost to complete ("CTC") of the HKS of XRL project to the Administration. According to the revised PTC and CTC, the commissioning of HKS of XRL would have to be delayed further from the end of 2017 to the third quarter of 2018 (including a six-month contingency period), and the project costs would have to be revised to \$85.3 billion (including a revised total project cost of \$83.2 billion and \$2.1 billion for contingency). MTRCL explained that the further delay was mainly due to unforeseen site conditions, issues relating to tunnel boring machines, fast-tracked front end and design variations, lower than expected production rates and labour shortage; and the increase in project

---

<sup>1</sup> Under the concession approach, the Administration is responsible for the construction costs of the railway project whilst MTRCL is entrusted with the planning and design of the project. Upon completion of the construction, MTRCL will be granted a service concession for the operation of the railway line while the Administration will receive a service concession payment annually.



cost was due to programme extension, changes in scope and methodologies owing to unforeseen events and additional labour and material costs. After discussion between the Administration and MTRCL, CTC of the project was subsequently reduced to \$84.42 billion, with target commissioning in the third quarter of 2018.

8. In the 2017-2018 session, the Subcommittee examined three quarterly progress reports on progress update and financial situation of the HKS of XRL project submitted by the Administration at its meetings on 1 December 2017, 2 February 2018 and 1 June 2018. When reviewing the progress report covering the period ending 31 March 2018, members noted that the overall progress of HKS of XRL was 99.4%, which was ahead of the planned progress of 98.2% based on the target of commissioning of the XRL in the third quarter of 2018. Members further noted that the most critical parts of the entire XRL project were the construction of the West Kowloon Station ("WKS"), including the works for port area facilities, and the works related to fire services equipment.

9. With the commissioning of HKS of XRL approaching, the Subcommittee has expressed pressing concerns about the operating arrangements and the financial position of the HKS of XRL. Members sought details on a number of financial and operational matters, such as the number of Mainland cities to be connected by XRL, fare levels, train schedule, operating hours, as well as revenue and cost sharing arrangements between Hong Kong and the Mainland. Members were also very concerned about the ticketing arrangements for the HKS of XRL, in particular the possible service charge for buying tickets to mainland cities other than the 18 cities served directly by high-speed trains from Hong Kong. Members urged the Administration to roll out more facilitation arrangements for high-speed rail passengers such as e-tickets and e-payments, and to offer concessionary fares for students and the elderly at the early stage of commissioning.

10. The Administration advised that other than short-haul trains running between WKS and the Futian, Shenzhen North, Humen and Guangzhou South stations, there would be long-haul trains to/from 14 Mainland cities upon commissioning of the HKS of XRL. During the early stage of commissioning, 114 daily trains pairs could be provided for short-haul services during peak periods. The train schedule could be adjusted subject to the actual operational needs. The Administration was in discussion with the China Railway Corporation on the financial and related matters of the HKS of XRL and would announce the outcome of discussion at an appropriate time. The actual operating arrangements

and ultimate financial position of the HKS of XRL would hinge on the outcome of the said discussion.

11. Members further noted that five ticketing counters at the ticket office of WKS were reserved to facilitate the provision of service by the agent authorized by the Mainland high-speed rail operator to sell Mainland journey tickets (i.e. tickets for journeys that start and terminate at Mainland stations) in the future. Passengers would be able to purchase both cross boundary journey tickets and Mainland journey tickets in one go in Hong Kong. Discussion on these matters, including the level of service fees, was still in progress. The Administration assured members that it would urge MTRCL to discuss with the Mainland high-speed rail operator with a view to minimizing the service fees as far as possible.

12. The Subcommittee expressed concerns on the details of discussions between the Administration and MTRCL on the operation of the HKS of XRL, including the terms of the service concession and the future operating costs of the HKS of XRL. They urged the Administration to consult the Subcommittee on certain important issues, including the period and payment of the service concession as well as the arrangements for sharing operating losses (if any), before finalizing the details with MTRCL. The Administration responded that the HKS of XRL project had been taken forward on the basis that MTRCL would be invited to operate HKS of XRL under a service concession approach in future. The Administration had already commenced discussion with MTRCL in this regard and would update the Subcommittee once consensus had been reached with MTRCL on the general principles regarding the arrangements of the Supplemental Service Concession Agreement.

13. Members noted that the trial operations of the HKS of XRL had commenced in April 2018. Having regard to a number of incidents occurred during the trial operations, the Subcommittee raised concerns over the safety of the HKS of XRL and had followed up with the Administration/MTRCL on the derailment incident at Shek Kong Stabling Sidings of the HKS of XRL at its meeting on 1 June 2018. Members expressed discontent that MTRCL failed to disclose proactively the incidents occurred during the trial operations, and the widened track gauge had not been identified either by MTRCL site staff or the Monitoring and Verification Consultant ("M&V Consultant") appointed by the Highways Department ("HyD") during routine inspections. The Administration and MTRCL had been requested to provide details of the notification mechanism in respect of incidents occurred during the trial

operations of the HKS of XRL, including the criteria for reporting incidents and the time limit (if any) between the actual occurrence of the incident and the actual notification to the relevant Government department(s).

*Shatin to Central Link*

14. SCL is a territory-wide strategic railway project. With a total length of 17 kilometres, it consists of (a) the Tai Wai to Hung Hom Section, and (b) the Hung Hom to Admiralty Section.<sup>2</sup>

15. The approved project estimate ("APE") for the entire SCL project is \$79,800 million in money-of-the-day ("MOD") prices. In February 2011, the Finance Committee ("FC") approved the funding applications for the advance railway and non-railway works at \$6,254.9 million and \$1,448.2 million in MOD prices respectively. In May 2012, FC approved the funding applications for the remaining railway and non-railway works with a total of about \$71,400 million in MOD prices. Thereafter, the Administration and MTRCL entered into an agreement for entrusting construction, testing and commissioning of SCL to the latter at a cost of \$70,827 million. The Administration informed the Subcommittee in December 2016 that the revised cost of advance railway works of SCL would exceed APE by \$847.7 million, increasing from \$6,254.9 million to \$7,102.6 million in MOD prices. FC approved the additional funding application at its meeting on 17 June 2017. The APE for the entire SCL project is therefore adjusted upward from the original estimate of \$79,800 million to \$80,700 million in MOD prices.

16. The Subcommittee was briefed on the progress of the SCL project at the meetings on 1 December 2017, 2 February 2018 and 1 June 2018. According to the latest assessment by MTRCL, in view of the delay of 11 months arising from the archaeological discovery and other factors encountered during construction, there would be about a year's delay in commissioning the project, i.e. the Tai Wai to Hung Hom Section deferred to end 2019, while the Hung Hom to Admiralty Section deferred to 2021. However, with the delay recovery measures implemented at the Tai Wai to Hung Hom Section, the target commissioning date of this section could be advanced to about mid-2019.

---

<sup>2</sup> The Tai Wai to Hung Hom Section is the extension of Ma On Shan Line from Tai Wai via Southeast Kowloon to Hung Hom where it will join West Rail Line; the Hung Hom to Admiralty Section is an extension of the existing East Rail Line from Hung Hom across the Victoria Harbour to Wan Chai North and Admiralty.

17. At the Subcommittee meeting on 2 February 2018, members noted that MTRCL had submitted the latest cost estimate of SCL project to the Administration on 5 December 2017. MTRCL indicated a need of adjusting upward the entrustment cost of the main works of the SCL project, from \$70,827 million to \$87,328 million, i.e. an increase of about \$16,501 million. As advised by the Administration, it has been conducting a detailed review of the MTRCL's latest cost estimate and expected to complete the review by the second quarter of 2018. Upon completion of the detailed review, the Administration would apply for additional funds from the Legislative Council to continue with the SCL works.

18. In addition to cost overrun and project delay, members expressed grave concern at the meeting on 1 June 2018 about structural safety of construction works under the SCL project. In connection with the substandard steel works found at a platform slab of Hung Hom Station Extension, members expressed strong dissatisfaction that MTRCL rendered confusing information on several occasions and failed to disclose all relevant details. They urged the Administration to set up an independent expert panel to ascertain the structural safety of the slab concerned and to investigate whether MTRCL and its contractors had tried to cover up the substandard works. Members also cast doubt on MTRCL's confirmation that concreting works for the slab concerned were done only after the rectification works had been completed. Members also noted at the meeting that, at the request of the Administration, MTRCL had undertaken to provide an investigation report and to arrange an independent expert to conduct a loading test to affirm the structural integrity of the platform slab in question. The Administration also undertook to refer the matter to law enforcement agencies for follow-up actions in case any misconduct was found.

19. Members were of particular concern about the monitoring regime for railway projects. Members in general questioned the role of the HyD and its M&V Consultant in supervising and monitoring the implementation of railway projects. They urged the Administration to step up its monitoring effort to avoid further cost overrun and to enhance accountability of MTRCL and the Administration in the monitoring of railway projects.

20. At the Subcommittee meeting on 2 February 2018, members noted that two undetonated bombs were discovered at the construction site of the Exhibition Centre Station in January 2018.<sup>3</sup> They expressed dissatisfaction to MTRCL that metal detectors were not used to locate if there were any wartime bombs lying underground before commencing excavation works at the site, even though it was aware of such risks at the design and planning stage of the project back in 2012. Members expressed serious concern that MTRCL had put the safety of workers on site and people living or working in Wan Chai at risk. They urged MTRCL to conduct an overall investigation of the site. Some members were also concerned whether the progress of the construction works of the SCL would be adversely affected.

21. MTRCL responded that in view of the fact that the northern coastline of Hong Kong Island was bombarded during the Second World War, it had envisaged the risk of discovering wartime explosives during the planning stage. To enhance the workers' understanding and awareness of the risk, MTRCL communicated with police experts to provide a specific project briefing for the engineering site staff on suitable procedures in case of encountering any suspected explosive objects before commencing major excavation works in 2016. MTRCL had adopted a particularized and controlled excavation method to allow the excavation works to be conducted in a strictly controlled manner, so as to uphold safety and to minimize risk. HyD had requested MTRCL to assess the time and cost implications arising from the discovery of unexploded ordnances, and explore delay recovery measures to minimize the risk of project delays.

#### Operation of existing railways

22. The Subcommittee continued to follow up on issues relating to railway operations.

#### *Upgrading of signalling system for railway lines*

23. Members noted with serious concern that signalling fault was one of the major causes of railway service disruption. In this connection, the Subcommittee had followed up with MTRCL on the progress of signalling replacement of railway lines. Members noted that the new signalling system has a smaller number of overall parts and components

---

<sup>3</sup> Subsequently, a third unexploded wartime bomb was found at the Exhibition Centre works site on 10 May 2018.

which would reduce the chances of faults. Back-up devices would also be strengthened to enhance the reliability of train service. At the Subcommittee meeting on 1 December 2017, members called on MTRCL to implement measures to minimize the risks of impacting on railway service during upgrades of its signalling systems so as to avoid causing inconvenience to passengers.

24. On some members' concerns regarding the life expectancy of the new signalling system, and whether the electronic components of the signalling system would be updated regularly within its overall system life-cycle to keep pace with technological advancements, MTRCL advised that normally a signalling system should have 20 to 30 years' lifetime. A stringent asset management system was in place to set out appropriate procedures for the maintenance of various components of the railway system, including signalling system equipment. Timely renewal would be arranged in accordance with the functions and performance of the railway components.

#### *Measures for enhancing Light Rail services*

25. In view of the patronage growth arising from the development of Tuen Mun and Yuen Long community, coupled with the huge traffic demand generated by the population growth upon the completion of Hung Shui Kiu New Development Area, the Subcommittee members held grave concerns that the Light Rail ("LR") service and facilities would be insufficient to cope with the increasing patronage and passenger need. Members were briefed by the Administration on the progress of implementing the various short, medium and long-term measures to enhance Light Rail service as recommended in the Final Report of the Public Transport Strategy Study ("PTSS") released in June 2017.

26. Members noted that in the Final Report of the PTSS, the Administration had reaffirmed the role of LR as an important rail-based and at-grade transport mode in Yuen Long and Tuen Mun, as well as a feeder to the West Rail Line ("WRL"). Members urged MTRCL to deploy more coupled-set Light Rail Vehicles ("LRVs") to relieve congestion during peak hours. They were of the view that the addition of 10 LRVs from 2019 to 2023 would be minimal to cope with the huge traffic demand. Further, members suggested that improvements should be made to identified busy junctions by building overhead or underground LR tracks, thereby facilitating the deployment of coupled-set LRVs during peak hours.

27. Members noted that MTRCL had deployed short-haul special runs to ease congestion problem. MTRCL advised that adding more LRVs might not be the best solution to increase the carrying capacity as the increase in LRVs might cause further bottlenecking and congestion at road junctions. It would explore other effective means such as route rationalization. Members further noted that the feasibility study on design improvements of road junctions, which was one of the medium-term measures recommended under the PTSS, would soon be commenced. The Administration would report the findings of the study to the Subcommittee in due course.

#### *MTR station facilities*

28. The Subcommittee has been closely monitoring measures to enhance MTR station facilities. Members urged MTRCL to enhance its station facilities in various aspects including installation of water drinking facility within MTR stations, addition of barrier-free facilities at specific exit/entrance of certain MTR stations, further improvements to facilities for visually impaired passengers, provision of additional exits to relieve the congestion problem at station and provision of self-contained baby care rooms in all MTR stations. Some members expressed dissatisfaction that MTRCL had set aside certain space at staff rest rooms, instead of vacating some MTR shops, for breastfeeding purpose.

29. MTRCL explained that as provision of baby care rooms and other facilities in existing stations would involve substantial alteration works, it would take time for design and implementation. Setting aside some space at staff rest rooms for breastfeeding purpose was an interim measure to provide convenience earlier to passengers in need. MTRCL noted members' views and pledged to strive for continuous improvements in the provision of station facilities.

#### *Manpower resources for railway services*

30. In April 2018, the Subcommittee was briefed by MTRCL on its manpower situation and staff training programmes. Pointing out that major growth in manpower came from part-time staff who were less experienced and might not be capable to handle sudden or emergency incidents, members were concerned about whether there was sufficient full-time staff to meet the operational needs. The Subcommittee passed two motions urging MTRCL to recruit additional frontline staff, strengthening staff training, increasing pay levels and reviewing the pay adjustment mechanism.

31. MTRCL explained to the Subcommittee that it had kept in view the mix of part-time/full-time staff to address operational needs, and would flexibly deploy manpower resources to suit different operational requirements and during crisis/emergency situations. Frontline station and operational staff were employed at full strength and therefore sufficient to cope with service demand and operational needs. Further, a mechanism was in place for reviewing and adjusting staff remunerations taking into account factors such as profit level, staff performance, market salary trend etc. Staff side had also been consulted on the mechanism which had worked well for many years.

*Major railway incidents*

32. The Subcommittee had followed up on two major railway incidents caused by signalling fault, namely service disruption of Kwun Tong Line for more than 10 hours on 5 August 2017 and the 2-hour service disruption of East Rail Line ("EAL") on 11 January 2018. At the meeting on 10 April 2018, members noted with concern that the service disruption of EAL on 11 January 2018 was related to continuous growth of traffic regulations data processed by the server of EAL Train Control System over the past few years. Members asked whether MTRCL would proactively suggest to the Administration the development of new railway lines given that the old railway lines such as EAL had already reached their full capacity. The Administration responded that the Transport Department was responsible for planning and developing transport services including railway services to meet service need, and would actively listen to views of MTRCL in the development of new railway project.

33. While inquiring into the causes of individual incidents, members urged MTRCL to enhance its contingency arrangement during the incidents, in particular the arrangement of free shuttle buses and other transport services in dispersing passengers during the incidents as well as the dissemination of information on the latest train service to the public. Members held the view that a mechanism should be in place for MTRCL to liaise with operators of other transport modes to mobilize additional transport services within a short period of time. Some members also urged MTRCL to make timely investment to renew its railway assets including the signalling systems, with a view to keeping abreast of the technological development and enhancing the reliability and safety of the railway system. MTRCL responded that it was planning to replace signalling system of railway lines commissioned 10 or more years ago and would study if the latest railway technology could be used to improve the signalling system.



**Recommendation**

34. The Panel is invited to note the work of the Subcommittee.

Council Business Division 4  
Legislative Council Secretariat  
22 June 2018

**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 2017-2018 session**

<b>Chairman</b>	Hon Michael TIEN Puk-sun, BBS, JP
<b>Deputy Chairman</b>	Hon CHAN Han-pan, BBS, JP
<b>Members</b>	Hon Mrs Regina IP LAU Suk-ye, GBS, JP Hon Claudia MO Hon Frankie YICK Chi-ming, SBS, JP Hon YIU Si-wing, BBS Dr Hon KWOK Ka-ki Dr Hon Helena WONG Pik-wan Ir Dr Hon LO Wai-ki, SBS, MH, JP Hon Alvin YEUNG Hon CHU Hoi-dick Dr Hon Junius HO Kwan-yiu, JP Hon LAM Cheuk-ting Hon Wilson OR Chong-shing, MH Hon CHAN Chun-ying, JP Hon Tanya CHAN Hon LUK Chung-hung, JP Hon LAU Kwok-fan, MH Dr Hon CHENG Chung-tai Hon Jeremy TAM Man-ho Hon Gary FAN Kwok-wai Hon AU Nok-hin Hon Tony TSE Wai-chuen, BBS  (Total: 23 members)
<b>Clerk</b>	Ms Sophie LAU
<b>Legal Adviser</b>	Mr Alvin CHUI

\* Changes in membership are set out in Annex to Appendix II

## **Annex to Appendix II**

### **Panel on Transport Subcommittee on Matters Relating to Railways Changes in membership**

<b>Member</b>	<b>Relevant date</b>
Hon Tony TSE Wai-chuen, BBS	Since 21 March 2018
Hon AU Nok-hin	Since 22 March 2018
Hon Gary FAN Kwok-wai	Since 26 March 2018

**Key information of the two railway projects near completion/under construction**  
*(updated as at June 2018)*

	<b>Hong Kong section of Guangzhou-Shenzhen- Hong Kong Express Rail Link</b>	<b>Shatin to Central Link</b>
<i>Length of the rail line</i>	26 km	17 km
<i>Estimated construction cost</i>	\$66.82 billion (in money-of-the day ("MOD") prices)	\$79.8 billion (in MOD prices)
<i>The MTR Corporation Limited's latest estimated construction cost</i>	\$86.42 billion  (increased by \$19.6 billion)	\$80.7 billion  (the latest cost estimate of the main works submitted by MTRCL is now \$87.3 billion, representing an increase of \$16.5 billion over the original entrustment cost of the main works of \$70.8 billion. The Administration is conducting a detailed review of the MTRCL's latest cost estimate)
<i>Funding arrangement</i>	Implemented under the <b>concession approach</b>  Construction of: - railway works: \$70.405 billion - non-railway works: \$16.015 billion  Special ex-gratia payments in relation to the project: \$86 million	Implemented under the <b>concession approach</b>  Protection works: \$695 million  Advance works: \$8.6 billion  Construction of: - railway works – main works: \$65.4 billion - non-railway works – main works: \$5.98 billion
<i>Works commenced in</i>	2010	2012

	<b>Hong Kong section of Guangzhou-Shenzhen- Hong Kong Express Rail Link</b>	<b>Shatin to Central Link</b>
<i>Original target commissioning dates</i>	2015	December 2018: Tai Wai to Hung Hom Section  December 2020: Hung Hom to Admiralty Section
<i>Target commissioning date</i>	September 2018	Mid-2019: Tai Wai to Hung Hom Section  2021: Hung Hom to Admiralty Section