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Panel on Transport

Setting up of the Subcommittee on Matters Relating to Railways

Purpose

At the meeting on 15 October 2020, members of the Panel on Transport ("the Panel") proposed and agreed to set up the Subcommittee on Matters Relating to Railways ("the Subcommittee") to monitor the implementation of railway projects and operation of existing railway lines. This paper sets out for members' consideration the proposed Terms of Reference and work plan of the Subcommittee, and time frame for completion of work.

Background

2. A subcommittee was set up under the Panel in every term since the Second Legislative Council ("LegCo") to monitor issues relating to the planning and implementation of new railway projects as well as existing railway operation.

3. When the Subcommittee was first set up in the 2000-2001 session, its Terms of Reference covered matters relating to the overall planning and implementation of railway development projects.¹ The Terms of Reference of the Subcommittee was extended to cover the financing of railway development projects and operation of existing railways in the 2001-2002 and 2002-2003 sessions respectively. In the 2002-2003 session, the Panel further decided that while matters relating to the planning, implementation and operation of railways were under the purview of the Subcommittee, matters relating to the then two railway corporations in respect of their corporate governance, merger feasibility and fare adjustments would be dealt with by the Panel.² After merger of the

¹ The name of the then Subcommittee was "Subcommittee on matters relating to the implementation of railway development projects".

² The name of the Subcommittee was changed to "Subcommittee on matters relating to railways" in the 2002-2003 session.

then two railway corporations which took place in December 2007, the Panel continued to examine issues relating to corporate governance of the post-merger corporation and fare adjustments while the Subcommittee dealt with matters relating to the planning and implementation of new railway projects and existing railway operation. The latest Subcommittee report provided to the Panel for the 2019-2020 session was issued vide LC Paper No. CB(4)779/19-20 on 3 July 2020.

Proposed Terms of Reference

4. The Subcommittee plays a significant role in monitoring the Administration and the MTR Corporation Limited ("MTRCL") in the implementation of new railway projects and the various issues arising from railway operations. It is proposed that the Terms of Reference of the Subcommittee in the 2020-2021 session could follow that of the last session, which is attached as **Appendix**.

Proposed work plan of the Subcommittee

Implementation of the Shatin to Central Link

5. The Subcommittee formed during the Sixth LegCo has been monitoring closely the implementation of the Shatin to Central Link ("SCL")³ project. То ensure the public enjoyment of the new railway as soon as possible, three new stations, namely Hin Keng Station, Diamond Hill Station Extension and Kai Tak Station were commissioned on 14 February 2020. The entire railway from Wu Kai Sha Station to Kai Tak Station is named Tuen Ma Line ("TML") Phase 1. Nevertheless, the Subcommittee members expressed serious concern that the commissioning of Tai Wai to Hung Hom Section and Hung Hom to Admiralty Section will be deferred to the third quarter of 2021 and the first quarter of 2022 respectively. When discussing the Administration's proposal to increase the funding for the main works of SCL by about \$10,063.8 million at the Subcommittee meeting on 3 March 2020, members noted that the Administration disagreed to the proposed additional project management cost of about \$1,371 million as it considered that the justification submitted by MTRCL insufficient. Some members held strong views that MTRCL should not try to

³ SCL, a strategic project providing territory-wide connections, will have 10 stations, namely Tai Wai, Hin Keng, Diamond Hill, Kai Tak, Sung Wong Toi, To Kwa Wan, Ho Man Tin, Hung Hom, Exhibition Centre and Admiralty, and will link up a number of existing railways forming two strategic railway corridors, i.e. the East West Corridor and the North South Corridor.

recover the said cost from the Administration. In addition, most members opined that the Administration should reduce the project management cost of SCL payable to MTRCL having regard to the serious deficiencies in MTRCL's management and supervision systems.

6. Given the great public concern about the delay in construction, cost overrun and quality of works of the SCL project, it is incumbent upon the Subcommittee to continue to monitor the progress and financial situation of SCL.

Planning of new railway projects

7. In October 2014, the Subcommittee members were briefed by the Administration on Railway Development Strategy 2014 ("RDS-2014")⁴, which recommends that seven railway projects be completed in the planning horizon up to year 2031 having regard to transport demand, cost-effectiveness and the development needs of New Development Areas and other new developments.

8. As announced in the 2019 Policy Address, the Government has invited MTRCL to commence the detailed planning and design for three of the seven projects under RDS-2014, including Tung Chung Line ("TCL") Extension, Tuen Mun South ("TMS") Extension and Northern Link (and Kwu Tung Station) in the coming year, so that work on these three railway project could commence as early as possible. During the 2019-2020 legislative session, the Subcommittee was briefed by the Administration on the proposed way forward of the TCL Extension and the TMS Extension. Apart from monitoring the implementation including the alignment and financing of these two new railway projects, it is envisaged that the Subcommittee will need to continue to monitor the planning progress of the remaining five railway projects recommended in RDS-2014.

Railway operation

9. The Subcommittee has all along been following up with the Administration and MTRCL on various issues arising from railway operations, such as the maintenance of railway lines including the replacement of signalling systems, performance of railway services and the enhancement of railway facilities. The Subcommittee also attaches great importance to the safety of existing railway services and will follow up with the Administration and MTRCL should there be any major railway incidents.

⁴ Details of RDS-2014 can be found at the following link: http://www.legco.gov.hk/yr13-14/english/panels/tp/tp_rdp/papers/tp_rdpcb1-2012-1-e.pdf

Proposed time frame for completion of work

10. In accordance with rule 26(c) of the House Rules, the Subcommittee is expected to complete its work within 12 months of its commencement and report to the Panel. Given the number of new railway projects under implementation and the need to monitor continually the railway operation, the Panel may have to consider the need to appoint a subcommittee in the Seventh LegCo to continue to monitor issues relating to the planning and implementation of new railway projects as well as existing railway operation.

Advice sought

11. Members are invited to consider and endorse the proposed Terms of Reference, work plan of the Subcommittee and time frame as set out in paragraphs 4 to 10 above.

Council Business Division 4 Legislative Council Secretariat 16 October 2020

Appendix

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.