



香港地產建設商會

THE REAL ESTATE DEVELOPERS ASSOCIATION OF HONG KONG

香港中環德輔道中十九號環球大廈1403室

Room 1403, World-Wide House, 19 Des Voeux Road Central, Hong Kong.

Tel: 2826 0111 Fax: 2845 2521

19 July 2012

By fax and mail

Railway Development Office
Highways Department
1/F Ho Man Tin Government Offices
88 Chung Hau Street
Ho Man Tin
Kowloon

Dear Sirs,

**Our Future Railway
Stage 1 Public Engagement**

We refer to the Stage 1 Public Engagement Consultation Digest ("Digest") issued by the Government in April 2012 regarding the Review of the Railway Development Strategy 2000.

In the Digest, much emphasis has been placed on the planning for the Hong Kong – Shenzhen Western Express Line, based on the advice of the consultant that there will be reasonable demand for major regional railway corridors in the western New Territories, mainly to link up the western New Territories, northern New Territories, northern Lantau and facilities such as the Hong Kong – Zhuhai – Macao Bridge and the Hong Kong International Airport.

While we do not question the priority accorded to a railway link in supporting the further growth of our aviation industry, we believe it is equally important to facilitate the development of rail-based strategic growth areas to accommodate population growth as identified in the North East New Territories Planning Study.

In the RDS-2000, it was stressed that "railways are essential to Hong Kong's continued economic, social, and land development, and will be given priority in Government's plans for infrastructure development." One of the proposals of the RDS-2000 is the Northern Link ("NOL"), which was targeted to fulfill the following



香港地產建設商會

THE REAL ESTATE DEVELOPERS ASSOCIATION OF HONG KONG

香港中環德輔道中十九號環球大廈1403室

Room 1403, World-Wide House, 19 Des Voeux Road Central, Hong Kong.

Tel: 2826 0111 Fax: 2845 2521

primary purposes:

1. To serve the NDAs in Northern NT, including Au Tau, Ngau Tam Mei, San Tin and Kwu Tung, which would be developed to house a population of more than 200,000 by 2016, and
2. To provide cross-boundary railway service by connecting the East Rail Line at Kwu Tung and the West Rail Line at Kam Sheung Road to form a loop and provide connection to the Lok Ma Chau Spur Line.

Seven years later, the Planning Department undertook the Hong Kong 2030 Planning Vision and Strategy Study. Recognizing the long lead time required for the production of development land, it put forward the “land banking” concept, a policy direction to ensure that land will become available in time to capture “windfall” opportunities arising from economic development. Government would take up the role of a facilitator by providing land to satisfy various needs of the community while the actual implementation will be left to the private sector according to market demand.

Against this background and coupled with the fact that both the community and the new Administration are urging for greater supply of development land for flat production, it would have been in the right direction if the current Review would explore means to expedite the implementation of NOL with stations including Au Tau, Ngau Tam Mei, San Tin and Kwu Tung.

It is to our disappointment to note that the Digest is suggesting that in view of the slowdown in population growth, the Government has revised the NDA locations. It further suggests that in the absence of committed large scale development plans, the areas of Au Tau, Ngau Tam Mei and San Tin would remain as rural areas with low density development and therefore there is no urgency for a definite plan to implement the NOL and moreover, it may not be necessary to provide stations in the said areas.

We cannot agree with this sudden reversal of decision for the development of the previously planned strategic growth areas and the rationale behind such decision, which we believe is based on the questionable assumption that there must be a presence of adequate population to justify the construction of railway. Such a conception would appear to be putting the cart before the horse, as a rail based



香港地產建設商會

THE REAL ESTATE DEVELOPERS ASSOCIATION OF HONG KONG

香港中環德輔道中十九號環球大廈1403室

Room 1403, World-Wide House, 19 Des Voeux Road Central, Hong Kong.

Tel: 2826 0111 Fax: 2845 2521

strategic growth area is not dependent on the present population, as suggested by the Digest, but to provide the opportunity to increase the population to make better use of the railway infrastructure while satisfying the increasing housing demand. Railway construction should and must be implemented early to be in sync with population move in and act as a catalyst for further development.

We are now facing the reality that development intensity in the urban areas is close to saturation with little room for further expansion. At the same time, the public is aspiring for better living space and lower development density. In the future we must look to the NDAs as the source for additional housing supply. A clear implementation programme and timely provision of railway connection to these strategic areas is therefore all the more essential. Based on a wrong assumption, the Digest has missed the opportunity that rail development can help create the much needed development sites in these NDAs to meet the housing target as pledged by the new Administration.

Since the publication of RDS-2000, substantial resources from both the public and the private sectors have been spent in the planning areas around the proposed NOL, either to plan for public expenditure commitments in infrastructures such as drainage and sewage provision or to facilitate land use changes such as land assembly efforts by private owners. These efforts have all been geared to provide sites in good time to meet the demand for housing. The Government should expedite the process of planning and implementation of these strategic growth areas which have been studied time and again for so many years.

We must also point out that the Digest has missed out the other benefits of the original NOL proposal. According to the Digest, the number of cross boundary passengers has increased over 70% over the last decade and cross boundary journeys have become a part of daily life among more Hong Kong residents. It is expected that cross-boundary movements will continue to grow rapidly. The development of the NOL strategic growth areas at Au Tau, Ngau Tam Mei and San Tin can enhance the link with the Futian, Luohu and central Shenzhen areas and provide new potential for commercial activities. It will ultimately facilitate the further economic integration of the Mainland and Hong Kong, a goal envisioned by the Chief Executive in his election manifesto.

The Digest asks for expression of views before 21 July 2012. We do not consider



香港地產建設商會

THE REAL ESTATE DEVELOPERS ASSOCIATION OF HONG KONG

香港中環德輔道中十九號環球大廈1403室

Room 1403, World-Wide House, 19 Des Voeux Road Central, Hong Kong.

Tel: 2826 0111 Fax: 2845 2521

that a consultation period of three months is adequate for an exercise of this nature in view of its profound impact on the community. We would suggest that the consultation process be reviewed and the consultation period be appropriately extended to engender a fuller discussion in the community.

Yours sincerely

Louis Loong
Secretary General