

Avoiding a collision

The Government can't win over the Western Corridor Railway. It will be criticised if it acts and criticised if it doesn't. But China at least deserves some straight answers, says Political Editor Chris Yeung

When Gordon Siu Kwing-chue, then secretary for economic services, was named to replace Haider Barma as transport chief in January, speculation was rife that Mr Siu had been sidelined.

The post of Secretary for Economic Services is seen as a more high-profile job at Lower Albert Road. Furthermore, Mr Siu had privately indicated his intention to stay on, at least until after the new airport was in operation in 1998.

Defending the reshuffle, the then secretary for civil service Michael Sze Cho-cheung argued otherwise. The issue of the Western Corridor Railway would become a hot potato, he said.

He was right.

Mr Siu, now leading a delegation of government officials – as secretary for transport-designate – to familiarise himself with Chinese government operations, will move into the hot seat next month.

At the top of his priorities, as Mr Sze forecast, is the multi-billion-dollar West Rail plan.

Already on the drawing board in the late 1980s, the rail plan was put into more substantive form in a 2,000-page proposal submitted by the KCRC to the Government last November.

The row over the plan, however, did not emerge until a meeting of the Preparatory Committee's economic sub-group in Zhuhai last month.

The sub-group had issued separate invitations to the Government, Airport Authority and the KCRC to provide briefings on the second runway and the Western Corridor Railway.

A deal over the second runway was struck within days after Mr Siu – as secretary for economic affairs – and his team introduced the extra runway plan. The fate of the rail link was totally different.

No Transport Department officials

attended and, infuriated by the snub, the economic sub-group lashed out at the Government and the KCRC. Chinese officials later stepped up their attack and warned that the post-handover government would not bear responsibility for any commercial contracts linked to the project if they were not approved by China.

Faced with a two-pronged attack from both the community and China, the Government agreed to give copies of the 2,000-page report to Legco and Chinese officials.

The Government's basic position remains unchanged. Financial Secretary Donald Tsang Yam-kuen insisted China would not be consulted until after important details including cost and exact alignment were available in consultancy reports.

This is despite the fact that officials finally confirmed, on the record yesterday, that one thing at least was sure – the West Rail will not be built by 2001 and probably at a higher cost.

When? No one seems to know, or wants to commit themselves. But officials privately believe it will be another three years, at least.

The chain of events that have unfolded over the past few weeks have clearly exposed the Government's dilemma in the dying days of British rule.

On one hand, it is obliged by its legitimacy of governance and driven by social and political pressure to press ahead with its social projects. But on the other, it is being increasingly challenged by the incoming sovereign over its authority and policy decisions.

Said a senior government official: "Clearly, there's not much time for us to make a decision . . . It's one of the major issues that gives a good opportunity for the SAR (Special Administrative Region) to get its teeth into and make a decision."

It is not possible, however, for the Government to do nothing, he said. "We need to keep the kettle boiling . . . and when the SAR takes up the issue they will have the necessary information for them to decide whether to go ahead with it."

"It does not mean we are washing our hands of it. Simply, there is not enough time to make decision. Nor it is a question of whether we can afford [any row with China]. There's no time for a row and no need for one," said the official.

Despite the similarities with the Chek Lap Kok airport plan – such as arguments over cost and cost-effectiveness – the timing of the rail project makes all the difference.

As part of the package to pick up the pieces after the June 4 crackdown, the new airport project brings not just eco-

omic benefits but political gains to the departing sovereign.

If it hadn't been for the Sino-British wrangle and the delay it caused, the inauguration of the Chek Lap Kok airport before the handover would have given glitter to the finale of British rule.

Realistically, time is no longer on Britain's side if it wants to start a new round of negotiations with China on the rail project in the hope of striking a deal with Beijing before the handover.

It would only mean more squabbles and controversy at the most sensitive phase of the transition.

From the bureaucrats' perspective, there is no compelling reason to rush the project now that it is probably only a matter of six months before their future

boss is named. Following the appointment of the chief executive-designate, he or she will name the team of principal officials to take office on July 1 next year. The political complexity of the infrastructure plan will simply disappear when the post-handover government gains shape, they believe.

That may no longer be possible.

The Government's ambiguous position has given more ammunition for sceptics and critics to attack the administration.

One conspiracy theory is that the Government has quietly awarded billions of dollars in consultancy contracts through its wholly-owned KCRC before formal discussions with China.

British-funded firms will not only be

able to gain quick benefits. More importantly, British companies will be guaranteed lucrative business from spare parts needed to maintain the railway if the rail link is specifically designed for British-made technology.

And as commentary articles and editorials in the left-wing dailies *Wen Wei Po* and *Ta Kung Pao* have shown, the depth of mistrust towards Britain over its management of the territory's fiscal reserves remains.

The lack of transparency over the project, coupled with the Government's ambiguous attitude towards Chinese demands for discussions have deepened China's fears that London is making a last attempt to deplete Hong Kong's coffers before the changeover.

Mr Tsang may have had good intentions when he said premature discussion before the completion of detailed studies with China would be counter-productive.

But at this politically-sensitive time, Mr Tsang is running the risk of further confusion and misunderstanding over the project if legitimate questions from China are left unanswered.

Both Mr Tsang and Mr Siu have been directly involved with the airport talks, which resulted in a final accord. The challenge facing them, again, is that the territory should not suffer as a result of political bickering over the rail link.

SOUTH CHINA MORNING POST
22 JUN 1996