

\$50m LRT link to help new town development

By Juanito Concepcion

THE Kowloon-Canton Railway Corporation will extend its Light Rail Transit (LRT) line from a point along Castle Peak Road to Tin Shui Wai.

A KCRC spokesman said yesterday that the 2.1 kilometre link, estimated to cost \$50 million, had been approved at a board of directors' meeting last week.

Construction would begin in the middle of 1990 and is scheduled for completion in 1992, the spokesman said.

The move is expected to accelerate the influx of people to Tin Shui Wai, a new town which the Government plans building to provide housing for some 140,000 people.

Development of the Tin Shui Wai New Town starts next month with the formation of an initial 240 hectares out of a total 488 hectares.

The Territory Development Department yesterday awarded a joint venture company an \$820

million contract for the formation of 240 hectares.

The joint venture firm which comprises China State Construction Engineering Corporation and West German contractor, Bilfinger, Berger Bauaktiengesellschaft.

TDD Director Kenneth Kwok said the contract required the company to form about 240 hectares of land and construct the main drainage development.

He said work would start on November 2 and would take about 37 months to be completed.

The 140,000 population of the new town will be accommodated in public housing, home ownership scheme estates and private developments, he said.

He said the pending legal dispute between the Government and the Mightycity Co Ltd would not in any way affect the development of Tin Shui Wai. He declined to comment on the case as it was still pending in court.

Last March, Tin Shui Wai Ltd (TSWL), a wholly-owned subsidiary of Mightycity Co Ltd, filed a \$783 million claim with the High Court against the Government for the latter's alleged breach of a 1982 agreement.

Under the agreement, the Government was supposed to deliver 38.8 hectares of reclaimed land in July 1985 to TSWL to build private residential buildings and various commercial projects.

The company alleged it lost money due to the Government's delay in handing over the piece of land.

It claimed that had it received the land as scheduled, it could have built private residential homes and other projects and generated profits.

But the Government rejected the TSWL claim saying that it had agreed to give the private firm a piece of land by a fixed date.

Mr Kwok said the contract in-

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cluded a provision for the Government to authorise the joint venture firm to complete land formation of the total 488 hectares at a contract price of slightly less than \$1 billion.

The 240 hectares to be formed by the joint venture firm would be the first phase and the succeeding phase calls for the formation of the entire 488 hectares.

Mr Kwok said the contract included a provision for the Government to authorise the joint venture firm to complete the formation of the entire 488 hectares.

Work on the project will be supervised by Binnie and Partners (Hongkong), the Government-appointed consultant.

The KCRC spokesman said the decision to extend the company's LRT operations to Tin Shui Wai was a commitment it had earlier made to the Government.