

## LCQ6: Tolls of road tunnels and control areas

Following is a question by the Hon Chan Hak-kan and a reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (June 5):

Question:

Some members of the public have relayed to me that as the existing tolls of the various road tunnels and bridges vary, residents in some districts need to bear higher transport fares. In this connection, will the Government inform this Council:

- (1) of the considerations based on which the Government determines whether and at what levels road tunnels and bridges should be tolled; whether construction cost is one of the considerations;
- (2) of the operating revenues and expenditures respectively of the government tolled tunnels and the Lantau Link in each of the past five years; and
- (3) whether it will comprehensively review the toll levels of the government tolled tunnels and the Lantau Link, and consider adjusting downward or dispensing with the tolls; if so, of the details; if not, the reasons for that?

Reply:

(Acting) President,

Currently, there are a total of 16 road tunnels and two Control Areas (namely the Tsing Ma Control Area (TMCA) and Tsing Sha Control Area (TSCA) in Hong Kong. Of the road tunnels, 13 are government tunnels, two are "Build, Operate and Transfer" tunnels, namely the Western Harbour Crossing and Tai Lam Tunnel, and one is a private tunnel, namely the Discovery Bay Tunnel.

Among the government tunnels, seven of them are tolled tunnels, including the Cross-Harbour Tunnel, Eastern Harbour Crossing, Aberdeen Tunnel, Lion Rock Tunnel, Shing Mun Tunnels, Tseung Kwan O Tunnel and Tate's Cairn Tunnel. Tolls are also collected at certain road sections within the two Control Areas, namely the Lantau Link in TMCA and the Eagle's Nest Tunnel, Sha Tin Heights Tunnel and Tai Wai Tunnel in TSCA. All the above-mentioned tolls were effected through legislation.

As for toll-free government tunnels, there are a total of six, including the Kai Tak Tunnel which was commissioned back in 1982 and five recently commissioned, namely the Scenic Hill Tunnel and Airport Tunnel leading to the Hong Kong Port of the Hong Kong-Zhuhai-Macao Bridge which were commissioned

in October 2018; the Central-Wan Chai Bypass Tunnel commissioned in January 2019; as well as the Lung Shan Tunnel and Cheung Shan Tunnel leading to the Liantang/Heung Yuen Wai Boundary Control Point which were commissioned last month.

Our consolidated reply to the various parts of the Hon Chan Hak-kan's question is as follows:

Tolls collected account for the majority of the operating revenues of the government tolled tunnels and the tolled sections within the two Control Areas. The Government also explores and implements feasible measures to generate additional revenues, such as erecting advertisement panels at suitable locations of the tunnels and Control Areas so as to bring about advertising income, without compromising road safety.

Operating expenditures involve mainly the contract fees paid by the Transport Department (TD) to operators responsible for the management, operation and maintenance of the tunnels and Control Areas. For government-built tunnels and tolled sections in the Control Areas, their respective operating expenditures also include the depreciation charges of the construction costs and the depreciation costs of major system replacement works. In addition to the tunnel operators' systematic check-ups and routine upkeep for the tunnels, TD also replaces major systems of the tunnels and tolled sections of the Control Areas in a timely manner after consulting the Electrical and Mechanical Services Department, in order to ensure the safe, reliable and effective operation of the tunnels and Control Areas.

The operating revenues and expenditures of the government tolled tunnels and the tolled sections within the two Control Areas from 2013-14 to 2017-18 are at Annex. Since the revenue and expenditure figures for 2018-19 are being compiled, we are unable to provide the relevant information for the time being.

In determining whether and at what levels the above-mentioned road tunnels and Control Areas should be tolled, the Government has mainly adopted the "cost-recovery" and "user-pays" principles and has taken into account a host of factors, including traffic management, costs (including the capital ones) of provision of the relevant tunnels and roads, the toll levels of alternative routes, public affordability and acceptability, etc.

To encourage more efficient use of road space so as to alleviate road traffic congestion, the Government is planning to re-examine the directions and guiding principles applicable to the determination of the toll levels of all government tolled tunnels and Control Areas. As stated in the Chief Executive's 2018 Policy Address, we propose to adopt the concept of "Congestion Charging" and the principle of "Efficiency First" in determining the levels of tolls for different types of vehicles using tolled tunnels as well as the TMCA and TSCA so as to utilise more effectively the limited road space.

The concept of "Congestion Charging" refers to the charging of different

tolls according to the degree of traffic congestion of the tolled tunnels, TMCA and TSCA during different time periods, with a view to changing the travel patterns of users of the tunnels and Control Areas by rendering some private car drivers to switch to public transport modes or refrain from using the tunnels and road sections concerned during peak periods. As regards the principle of "Efficiency First", it refers to enabling efficient people carriers such as franchised buses, and vehicles that support economic activities such as goods vehicles, to enjoy concessionary tolls, while imposing higher tolls on vehicle types with low carrying capacity, such as private cars.

In this connection, TD will commence the Study on "Congestion Charging" in mid-2019 to examine the hierarchy and levels of tolls of all government tolled tunnels, the TMCA, the TSCA, as well as the Western Harbour Crossing and Tai Lam Tunnel which will be taken over by the Government upon franchise expiry in August 2023 and May 2025 respectively. To put the concept of "Congestion Charging" and the principle of "Efficiency First" into practice, the Study will also examine the scope for charging different tolls during different time periods. The Government's current thinking is to set the toll levels of the tolled tunnels, TMCA and TSCA primarily having regard to traffic management consideration, while also taking into account a host of other relevant factors such as the operating costs of the tunnels, public affordability and acceptability, etc. TD plans to consult relevant stakeholders, including the Legislative Council Panel on Transport, the Transport Advisory Committee and the transport trades, on the toll plans and toll adjustment mechanism recommended by the Study in 2021.