

LEGISLATIVE COUNCIL PANEL ON TRANSPORT

Route 3 (Country Park Section) - Toll Increase

Introduction

This paper informs Members of the latest position of the proposed toll increase for Route 3 (Country Park Section) (Route 3).

Background

2. The Tai Lam Tunnel and Yuen Long Approach Road Ordinance (Cap. 474) provides for a specified toll adjustment mechanism in respect of the Route 3 tunnel. Under the Ordinance, the franchisee may effect toll increases on certain specified dates spread over the 30-year franchise period (1 January of 2003, 2010 and 2017). If the actual net revenue in respect of any year before the specified dates is less than the minimum estimated net revenue for that particular year as specified in the schedule to the Ordinance, the franchisee may advance the toll increase. The maximum levels of increase in respect of different categories of vehicles are also specified in the schedule to the Ordinance.

3. In August 2000, the franchisee of Route 3 notified the Administration of their intention to increase tolls with effect from 1 January 2001. As required under the specified toll adjustment mechanism, we carefully examined the 1999/2000 Net Revenue Statement of Route 3 and noted that the actual net revenue of 1999/2000 was less than the minimum estimated net revenue as specified in the schedule of the Ordinance for that year. While the franchisee was entitled to advance the toll increase to 1 January 2001, we nevertheless brought to the franchisee's attention the Government's concern for the proposed toll increases during the extant economic climate, stressing the need to strike a balance between commercial interest and the interest of the public at large. The franchisee took on board our views and indicated that they were prepared to defer the proposed toll increase and would review the matter in a few months' time.

Present Position

4. For the first half of the 2000/2001 financial year up to January 2001, the franchisee continued to incur a net loss. It notified the Administration in late February 2001 of its intention to increase tolls with effect from 1 April 2001. Having regard to the fact that the economy is just starting to recover, the franchisee has decided not to adjust the tolls for all categories of goods vehicles which are already enjoying concessionary tolls. In addition, concessionary tolls will be introduced for private cars, taxis and motorcycles. A table showing the existing tolls and new tolls of Route 3 with effect from 1 April 2001 is at Annex. Details of the concessionary tolls provided by the franchisee have also been incorporated.

5. The franchisee has complied with the requirements under the Ordinance to effect the proposed toll increase. We have nevertheless urged the franchisee again to have regard to the interest of the general public and to consider further deferring the toll increase. The franchisee has, however, decided to adhere to its original intention of increasing tolls on 1 April 2001. It has also confirmed that sufficient publicity will be made to advise the public of the new tolls.

Transport Bureau
March 2001
(TBCR 19/3/5591/91)

Existing Tolls and New Tolls of Route 3

Statutory Tolls

	Current	Increase allowed under the law	New Toll with effect from 1/4/2001
Motorcycle *	\$15	\$5	\$20
Private Car, Taxi *	\$20	\$5	\$25
Light Bus	\$45	\$15	\$60
Light Goods Vehicle *	\$45	\$15	\$60
Medium Goods Vehicle *	\$55	\$15	\$70
Heavy Goods Vehicle *	\$75	\$15	\$90
Additional Axle *	\$25	\$5	\$30
Single-Deck Bus	\$45	\$15	\$60
Double-Deck Bus	\$60	\$15	\$75

* Concessionary Tolls

	Current	New Toll with effect From 1/4/2001
Motorcycle	\$15	\$17
Private Car, Taxi	\$20	\$22
Light Goods Vehicle	\$25	\$25
Medium Goods Vehicle	\$35	\$35
Heavy Goods Vehicle	\$40	\$40
Additional Axle	Free of charge	Free of charge