



Written submission

From: Dr. Bill Barron, CUPEM, The University of Hong Kong
To: Panel on Transport of the Legislative Council's meeting on 28 May 2004
Date: 18 May 2004
Re: Major points West Island Line/South Island Line (WIL/SIL) and Route 7

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THE WIL/SIL IS FAR SUPERIOR TO ROUTE 7

(A) GENERAL:

Hong Kong is a service economy

- Moving people is greatest priority
- Travel demand by people is highly uneven, with sharp peaks
- Rail better able to handle peak loads than roads.

Rail indirectly expands supply of available sites for commercial centres (i.e., those served by fast, and reliable transport)

- By indirectly expanding supply of available sites, rail helps to keep Hong Kong more competitive as an international service hub
o Greater supply helps dampen price pressure on commercial property
o WIL/SIL makes Wong Chuk Hang attractive as commercial centre

(B) SPECIFIC POINTS OF COMPARISON WITH ROUTE 7:

(1) WIL/SIL carries 2 times the number of passengers at 1/2 the cost to government

- Passengers: WIL/SIL (20,000 /hour/direction): Route 7: (less than 10,000)
- Government support: WIL/SIL (\$5 - \$7.5 billion); Route 7 (\$10 - \$12billion)

(2) Higher property values in WIL/SIL catchments adds about \$330 million/year in taxes, rates, land premium (\$ 4 - \$ 5 billion over project life); most of gov. investment cost.¹

- Taxes on fuel consumed on Route 7 about cover its maintenance cost
-- Route 7's construction costs are never recovered by government

1 Barron, B., Ng, S., Ho, B., Chan, C., West Island Line/South Island Line: Direct External Benefits, CUPEM, University of Hong Kong, March 2004.





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(3) WIL/SIL improves environmental health:

- WIL/SIL saves at least \$23 million/year in pollution-related health costs (\$0.4 billion over life of project)
- Route 7 adds to pollution and health care costs

(4) Route 7 would carry about 25,000 good vehicles per day;

- however, demand for goods transport has been declining and
- reduced passenger traffic with WIL/SIL frees-up adequate road space in Aberdeen Tunnel and Pokfulam Road for goods transport²

(5) WIL/SIL generates substantial benefits to private property owners:

- \$1.3 to \$ 2.0 billion/year; worth \$ 14 to \$18 billion over project life

(6) WIL/SIL time savings and road safety benefits:

- \$18.5 billion over life of the project
- Much of this time savings is in Central/Wan Chai by *reducing inflows* into existing congestion there.
- Route 7 adds to congestion in Central and beyond

(7) Route 7 eliminates amenity uses of shoreline from Mt. Davis to Wah Kwai

- as shown by the Victoria Harbour debate, the public is concerned about access to the shoreline.

(8) As laid out in *Sustainable Transport in Hong Kong: directions and opportunities*,³ the Pokfulam area and greater Southern make a good pilot for developing integrated (and far more sustainable) land use/transport/environmental strategies.

In doing so it is vital that:

- transport needs be met in an efficient and cost-effective manner,
- while reducing the high health costs imposed on us by roadside pollution.

WIL/SIL support this goal; Route 7 undermines it.

² Barron et al, 3/04

³ Civic-Exchange, June 2002