

香港特別行政區政府
The Government of the Hong Kong Special Administrative Region

政府總部
環境運輸及工務局
香港花園道美利大廈



Environment, Transport
and Works Bureau
Government Secretariat
Murray Building, Garden Road,
Hong Kong

本局檔號 Our Ref. ETWB(T)CR 1/3/4651/92

Tel No. : 2189 2002
Fax No. : 2104 7274

來函檔號 Your Ref.

20 April 2005

The Hon Lau Kong-wah
Chairman
Panel on Transport
Legislative Council
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear Chairman,

Legislative Council Panel on Transport
Meeting on 18 March 2005

At the captioned meeting, a Member requested further information on the Administration's assessment in regard to the economic implications of the toll increase of the Eastern Harbour Crossing (EHC), as set out in Annex B of the Legislative Council Brief issued on 11 March 2005. The required information is set out below.

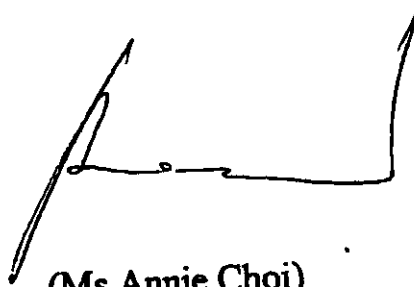
According to the data of the Census and Statistics Department, the tolls for all tunnels (including EHC and others) taken together only account for around 0.1% of the weight in the Composite Consumer Price Index (CCPI) and EHC accounts for only a fraction of this weight. By multiplying the weight of EHC's tolls in the CCPI by the magnitude of toll increase (roughly around 67%), our estimation is that the direct impact of EHC's toll increase on the CCPI will be an increase of around 0.01% in the CCPI.

V2.

As regards the possibility of inducing other transport fare increases, please note that so far, except for the taxi trade's proposal to increase the return toll charge for taxi passengers using EHC and Western Harbour Crossing, no public transport operators have indicated any concrete plan for fare increases. In addition, even if there were to be such fare increases, the relevant impact on the CCPI is unlikely to be significant, given that EHC's tolls should account for only a small portion of the public transport operating costs in overall terms, and that public transport fares likely to be affected by EHC's toll increase will take up only around 3.5% of the total weight in the CCPI.

I hope the above information has explained the Government's assessment in this regard.

Yours sincerely,



(Ms Annie Choi)
for Secretary for the Environment,
Transport and Works