

Hon Andrew Cheng Kar Foo  
Chairman  
Panel on Transport  
Legislative Council  
Hong Kong Special Administrative Region  
c/o Legislative Council Secretariat  
Monday, Dec 31, 2010

**Submission to the Legislative Council**  
**Panel on Transport**  
**Regarding**  
**Rationalizing the Utilization of Road Harbour Crossings**  
**Friday, Jan 11, 2011**

Many members of this community, whether elderly males with enlarged prostates or recovering ketamine addicts, have at one time, been subjected to the unusual cruelty of being confined in a bus that is itself stuck in traffic on Gloucester Road caused by the many vehicles wanting to use the Cross Harbour Tunnel.

The Lion Rock Institute believes that while many, including we suspect the administration, regards rationalization as the redistribution of vehicle flow. We firmly believe that it is NOT REDISTRIBUTION that is key, but rather REDUCTION in overall daily traffic crossing the harbour that would prove effective.

The daily capacity to cross the harbour is in our view a limited resource that is desperately seeking a more rational distribution method. ie. what gets to cross it. It is typical in markets where price signals are not allowed to function, that the ability to pay is replaced by the ability to wait. Users instead of paying with money, pays with time. Queuing is the physical manifestation of this, and therefore extremely common in places such as planned economies where prices are not allowed to function.

Traffic jams are the motor vehicle equivalent to queuing. Demonstrating clearly, demand for crossing the harbour, exceeds the supply capacity.

Hence, the Lion Rock Institute hereby suggests the government should PROGRESSIVELY INCREASE tunnel tolls on all three cross harbour tunnels, until a satisfactory level of traffic is reached. Keep raising until the traffic is reduced.

In view of the different circumstances that each tunnel is now owned and operated. We suggest the following.

1. For tunnels owned by the Government, we suggest outright toll increases for private cars.
2. For tunnels that are privately owned and is accruing profit to the maximum level allowed under the original Build, Operate, Transfer scheme, we suggest a special levy akin to the \$5 levy that was imposed on tolls for the Cross Harbour Tunnel in the 1980's.
3. For tunnels that are privately owned but is currently charging tolls below the maximum allowable level, we suggest the government encourage the operator to reduce the gap between what is charged and what is allowable.

We thank you for your time and would be pleased to discuss further with any committee members who may have questions.

Yours Sincerely

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