

LegCo Panel on Transport
Follow-up action to the meeting on 26 November 1999

(A) Tate's Cairn Tunnel Company Limited – Application for Toll Increase

- (1) The basis of the Administration's assessment that 3,500 vehicles would be diverted to the Lion Rock Tunnel if the Government's counter proposal on toll increase as set out in paragraph 17 of the paper were to be implemented.**

The assessment was made by the Transport Department based on the model run of the Third Comprehensive Transport Study (CTS-3) taking account of the traffic impacts of the previous toll increases of the Tate's Cairn Tunnel and other relevant socio-economic factors. We estimate that about 3,500 vehicles a day, consisting of about 2,700 private vehicles, would be diverted from the Tate's Cairn Tunnel to the Lion Rock Tunnel.

- (2) The existing and projected traffic at the Lion Rock Tunnel and Tate's Cairn Tunnel and their vicinity at different periods.**

The average weekday traffic from 25 to 29 October 1999 on hourly basis and the traffic on Sunday 31 October 1999 for the Tate's Cairn Tunnel and the Lion Rock Tunnel are shown in **Appendices A** and **B** respectively for reference. We estimate that about 3,500 vehicles a day would be diverted from the Tate's Cairn Tunnel to the Lion Rock Tunnel with minimal diversion to the Tai Po Road. This would generate about 100 additional vehicles per hour per direction during peak hour to use the Lion Rock Tunnel and should not cause any traffic problems.

(3) The amount of tax payable to the Government by the Tate's Cairn Tunnel Company Limited

As the Tate's Cairn Tunnel Company Limited has accumulated a loss of \$873 million, the company is not required to pay any profits tax until the accumulated loss has been fully extinguished. However, the company is required to pay royalty to the Government at a rate of 5% of the operating receipts of the company under section 9(1)(b) of the Tate's Cairn Tunnel Ordinance, Chapter 393. The additional revenue to Government will be about \$2.7 million based on the estimated traffic flow for the Tate's Cairn Tunnel in 2000-01, bringing the total royalty payment to \$17.5 million in 2000/01.

Appendix A

Average Hourly Traffic Flow of Tate's Cairn Tunnel from 25 to 29 and 31 October 1999

Period	Average hourly flow from 25 to 29 Oct			31 October 99 (Sunday)		
	North bound	South bound	Both bounds	North bound	South bound	Both bounds
0000-0100	752	468	1220	664	445	1109
0100-0200	485	286	771	412	266	678
0200-0300	319	191	510	244	227	471
0300-0400	252	153	405	240	125	365
0400-0500	217	155	372	182	136	318
0500-0600	226	229	455	205	199	404
0600-0700	486	728	1214	434	751	1185
0700-0800	1555	3160	4715	673	788	1461
0800-0900	2305	3146	5451	886	1044	1930
0900-1000	1861	2774	4635	1138	1313	2451
1000-1100	1637	2024	3661	1240	1480	2720
1100-1200	1599	1729	3328	1396	1554	2950
1200-1300	1501	1502	3003	1584	1640	3224
1300-1400	1481	1376	2857	1622	1567	3189
1400-1500	1700	1664	3364	1753	1592	3345
1500-1600	1848	1609	3457	1853	1600	3453
1600-1700	2185	1684	3869	1740	1686	3426
1700-1800	2628	2130	4758	1660	1786	3446
1800-1900	3033	2115	5148	1778	1931	3709
1900-2000	2644	1508	4152	1296	1342	2638
2000-2100	1817	1037	2854	1606	1205	2811
2100-2200	1563	996	2559	2144	1663	3807
2200-2300	1534	967	2501	1948	1380	3328
2300-2400	1177	809	1986	1214	920	2134
Daily total vehicles	34805	32439	67245	27912	26640	54552

Appendix B

Average Hourly Traffic Flow of Lion Rock Tunnel from 25 to 29 and 31 October 1999

Period	Average hourly flow from 25 to 29 Oct			31 October 99 (Sunday)		
	North bound	South bound	Both bounds	North bound	South bound	Both bounds
0000-0100	1554	929	2483	1869	1398	3267
0100-0200	1121	702	1823	2013	1193	3206
0200-0300	885	509	1394	1562	999	2561
0300-0400	661	434	1095	1240	758	1998
0400-0500	543	397	940	976	719	1695
0500-0600	529	509	1038	801	606	1407
0600-0700	811	1163	1974	787	829	1616
0700-0800	1909	3055	4964	1049	1140	2189
0800-0900	2331	2931	5262	1319	1691	3010
0900-1000	2167	2776	4943	1493	2127	3620
1000-1100	1961	2504	4465	1624	2297	3921
1100-1200	1928	2474	4402	1774	2482	4256
1200-1300	2024	2409	4433	1965	2513	4478
1300-1400	2043	2222	4265	2217	2793	5010
1400-1500	2150	2403	4553	2486	2424	4910
1500-1600	2293	2460	4753	2649	2453	5102
1600-1700	2684	2348	5032	2487	2378	4865
1700-1800	2874	2627	5501	2483	2437	4920
1800-1900	2965	2534	5499	2407	2807	5214
1900-2000	2899	2022	4921	2068	2105	4173
2000-2100	2345	1609	3954	2085	1786	3871
2100-2200	2464	1638	4102	2574	2178	4752
2200-2300	2521	1580	4101	2494	1925	4419
2300-2400	2242	1420	3662	1924	1376	3300
Daily total vehicles	45903	43656	89559	44346	43414	87760