TBCR 1/4651/94 Pt 16

Tel No. 2189 2186

Fax No. 2136 8017 (Open) 2877 0762 (Conf.)

1 March 2001

Mr Andy LAU Clerk to LegCo Panel on Transport Legislative Council Secretariat 3/F, Citibank Tower Garden Road, Central Hong Kong

Dear Mr LAU,

Thank you for your letter of 21 February 2001.

On item 4 on the list of Follow-up Actions attached to your letter, I wish to clarify that prior to the Panel meeting held on 15 December 2000, the Administration had not passed any information to the Sha Tin District Council (STDC) regarding the toll increase application by Tate's Cairn Tunnel Co. Ltd.

In response to questions raised by a member of the STDC Traffic & Transport Committee (T&TC) on the toll increase application (Annex A), we issued a reply on 22 December 2000 (Annex B). The STDC T&TC discussed the matter at its meeting held on 9 January 2001 and passed a motion (Annex C). Upon the request of the STDC, we responded to the motion on 20 February 2001 (Annex D).

We shall ensure that any information passed to STDC on the Tate's Cairn Tunnel Company's toll increase application will be made available to Members.

Yours sincerely,

(Ms Doris Cheung) for Secretary for Transport

Encls.

## Reply to the Question raised by Member of Traffic & Transport Committee (T&TC)

Under Section 36(3) of the Tate's Cairn Tunnel Ordinance, the tolls may be varied by agreement between the Chief Executive in Council and the TCTC. In processing an application for toll increase, we will consider factors including the impact of the toll increase on the traffic throughput of the Tunnel and the alternative route(s), the financial position of the Company, the affordability of tunnel users and the prevailing economic situation.

The TCTC has submitted an application for toll increase and we are still looking into the case. Members of the public may forward their views on the issue to the Transport Department direct or via their respective District Offices.