

Proposed measures to Improve the Traffic Distribution among the Road Harbour Crossings

Overview

Government is consulting on three toll adjustment options designed to improve traffic distribution among the Road Harbour Crossings.

1. Among the options, we support Option A for implementation.
2. We suggest that this opportunity be taken to implement token tolls for franchised transport at **all** tunnels and bridges.
3. We further suggest that Government carry out a comprehensive review of tunnel toll policy at an early date.

Detail

1. Among the options, we support Option A for implementation.

Of the three options put forward, we support Option A as it maximises the difference between tolls for the Central and Eastern Tunnels. This should help achieve the policy objective of diverting more vehicles from the Central to the Eastern Tunnel.

2. Implement token tolls for franchised transport at **all** tunnels and bridges.

Tolls have minimal if any impact on volume of traffic of franchised transport whose routes and schedules are regulated by Government. A reduction in operating costs here, as well as other savings in operating costs arising from quicker journey times etc, should be directly passed to passengers through reduced fares agreed with the operators and implemented through their regulated fare schedules as part of any new arrangements.

If tolls were set at a token \$5 at all tolled bridge/tunnels, the annual savings to franchised transport operators would be some \$470M per annum. These savings should in turn be passed on to passengers in the form of a reduction in fares, for example **reductions of \$4 - \$5 on \$22 fares** on routes from North West New Territories to Central¹.

¹ Total tolls for Tai Lam Tunnel and Western Harbour Tunnel \$275 equal per trip, assume average ridership of 60 per trip, savings would be about \$4.60 per passenger

These changes could be implemented smoothly for Government owned tunnels, but only by agreement for the franchised tunnels, possibly on a reimbursement basis (as proposed for any changes implemented for the Eastern Harbour Tunnel tolls).

3. Comprehensive review of tunnel toll policy:

A comprehensive toll policy should achieve better use of our limited road space, for example by diverting traffic from the congested Tuen Mun Road to the under-used Tai Lam Tunnel; and environmental and other economic benefits accruing from more efficient traffic flow.

A possible framework might be:

- Two toll structures, one for tunnels with smooth flowing traffic and one for tunnels with congestion
- An agreed yardstick for tolerable levels of congestion
- An agreed mechanism whereby tolls on tunnels with congestion may be adjusted upward or downwards when congestion deteriorates or improves against tolerable levels
- Agreement on a toll structure setting tolls for different vehicle types, which might be resource management driven, transport policy driven, or some combination of the two
- Implementation to cover both the Government-owned tunnels and the privately operated franchises

Short and long term decisions could then be made against this framework.

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