For discussion on 17 June 2022

Legislative Council Panel on Transport

Principles for Congestion Charging at Road Harbour Crossings and Takeover Arrangements of Western Harbour Crossing

PURPOSE

The franchise of the Western Harbour Crossing ("WHC") will expire on 1 August 2023. This paper seeks Members' views on, upon the takeover of the WHC by the Government, the principles to be considered for the proposed implementation of "Congestion Charging" at the three road harbour crossings ("RHCs") (i.e. WHC, Cross-Harbour Tunnel ("CHT") and Eastern Harbour Crossing ("EHC")), as well as on the arrangements and legislative amendments for the Government to take over the WHC.

BACKGROUND

2. The WHC connects West Kowloon and Sai Ying Pun and serves as one of the major traffic links between Hong Kong Island and Kowloon (see <u>Annex 1</u>). It is a "Build-Operate-Transfer" ("BOT") tunnel¹. The Government awarded a 30-year BOT franchise to the Western Habour Tunnel Company Ltd. ("the franchisee") and enacted the Western Harbour Crossing Ordinance ("WHC Ordinance") (Cap. 436) in 1993 to govern the construction, operation and maintenance of the WHC during the franchise period.

3. The Government will take over the WHC on 1 August 2023 on the expiry of its BOT franchise, and the WHC will then become a government tunnel. Its operation, management and maintenance, as well as setting of toll levels will

¹ Under a BOT tunnel mode, a franchisee is responsible for the construction, operation and maintenance of the tunnel concerned during the franchise period. Upon expiry of the franchise, the tunnel will vest in the Government. The two major principles of the Government in adopting the BOT mode in constructing and operating tunnels are: (i) the Government should encourage private participation and optimise the use of public resources; and (ii) as investors are required to make substantial upfront capital investment, they should be given the opportunity to make a reasonable return on their investment while bearing the commercial risk.

all rest with the Government.

4. On the other hand, the Government has been actively pursuing "Smart Mobility" through wider use of innovative technologies to enhance the efficiency of traffic management, with the Free-Flow Tolling System" ("FFTS") being one of the key initiatives. The Free-Flow Tolling (Miscellaneous Amendments) Bill 2021 was passed by the Legislative Council in June 2021 to provide legal backing for the implementation of the FFTS at government tolled tunnels and Tsing Sha Control Area ("TSCA"). The Transport Department ("TD") plans to gradually roll out the FFTS at all government tolled tunnels (including the WHC to be taken over by the Government) and the TSCA from end-2022. With the aid of technology, the FFTS detects a passing vehicle through reading a toll tag, which is a self-adhesive Radio Frequency Identification sticker affixed to the windscreen of the vehicle, for remote toll collection. It facilitates more efficient and convenient payment, and minimises disruption to traffic flow at toll plazas arising from the need to stop for toll payment. The TD will start issuing "vehicle tags"² to vehicle owners from the third quarter of this year.

5. The takeover of the WHC, together with FFTS implementation, presents an opportunity for the Government to holistically consider the tolls of all RHCs having regard to the entire cross-harbour traffic situation in totality.

"CONGESTION CHARGING"

6. In view of the limited land resources in Hong Kong, the traffic congestion problem could hardly be resolved solely by continuous construction of roads. Therefore, the Government has all long been adopting a multi-pronged strategy to alleviate road traffic congestion, encompassing efforts to improve transport infrastructure, expand and enhance public transport services, and manage the use of roads.

7. In line with the science-based approach to traffic management, the TD commenced a study on "Congestion Charging" in July 2019 to comprehensively review and re-determine the tolling level of government tunnels and roads. "Congestion Charging" is premised on optimising the use of limited road space, where different tolls are charged at different time periods with due regard to the

² Two types of toll tags will be made available to suit individual motorists' needs, namely "vehicle tag" and "class tag". A "vehicle tag" is for use in connection with a particular vehicle and the first "vehicle tag" issued to a vehicle is free of charge. A "class tag", which users can procure later, is specific to a class of vehicles and for use in connection with any vehicle falling within that particular class.

extent of congestion, so as to suppress and divert excessive traffic during peak periods. By charging higher tolls at peak periods, and with a particular focus on low-efficiency vehicles, "Congestion Charging" aims to change motorists' commuting patterns, encouraging them to switch to public transport or using the tunnels and road sections concerned outside peak periods, thereby enhancing the overall efficiency of the road network. The concept of "Congestion Charging" as a means of traffic management is illustrated in <u>Annex 2</u>.

8. The "Congestion Charging" study, which examines the situation of all tunnels and Control Areas, shows that the three RHCs are already heavily congested during the weekday peak hours; hence it is proposed that "Congestion Charging" should first be implemented thereat. As for the other land tunnels, traffic congestion there is not as serious as that at the RHCs, and does not extensively affect the traffic of the neighbouring areas. In addition, as major improvement works are underway at the nearby roads of the land tunnels (including the widening of Tai Po Road (Sha Tin Section), which is in progress and scheduled for completion in 2023, and Trunk Road T4, which is under planning and scheduled for completion in 2028), it would be more effective to consider the implementation of the "Congestion Charging" upon completion of the relevant works. We will keep in view the traffic of the land tunnels for considering the need to take forward suitable options in the future.

9. Specifically, in the recent decade, the number of vehicles crossing the harbour has been on the rise with private cars being the major contributor, thereby worsening the problem of cross-harbour traffic congestion. In 2021, despite the significant drop in traffic flow in relation to cross-boundary and tourist activities amid the epidemic³, cross-harbour traffic volume during peak hours still far exceeded the total capacity of the three RHCs⁴. There is serious traffic congestion at the CHT and EHC, while the WHC, though not as heavily congested as the other two RHCs with its upward adjustments of tolls by the franchisee under its franchise mechanism over the years, is also reaching its full capacity. The toll levels of the RHCs at present and over the years are set out in <u>Annex 3</u>. Given that currently the WHC has no more spare capacity to absorb excessive

³ According to the information of the Customs and Excise Department, there were about 4 000 cross-boundary vehicle trips made by private cars and coaches in 2021, a 99.9% drop as compared with the some 4.4 million vehicle trips before the COVID-19 pandemic (i.e. in 2019). Preliminary figures of the Hong Kong Tourism Board showed that visitor arrivals totalled around 90 000 for the full year of 2021, a 99.8% drop as compared with the some 56 million in 2019.

⁴ According to the transport figures of 2021, traffic demand for the RHCs during the busiest hour in the morning has already reached 126% of their total design capacities despite the pandemic.

traffic diverted from the CHT and EHC, traffic congestion will persist if the Government maintains the tolls of all RHCs at the current levels upon the takeover of the WHC. Furthermore, if the Government just lowers the tolls of the WHC, it will further worsen the traffic congestion at the RHCs and their peripheral roads during peak hours and thus is not a cure for cross-harbour traffic congestion.

10. In this connection, having taken into full account factors like traffic conditions, technical feasibility, affordability of motorists, and in particular the deteriorating traffic congestion at peak hours, we propose taking timely and appropriate action by introducing "Congestion Charging" for a more comprehensive traffic management of the RHCs.

Current cross-harbour traffic condition

11. Before discussion on the principles to be considered for implementing "Congestion Charging", we have to first elaborate on the latest cross-harbour traffic condition. Based on the latest data, the current cross-harbour traffic conditions are summarised as follows –

Current condition 1: Continuous growth in total cross-harbour traffic

12. As shown in the traffic survey conducted from late September to December in 2021, the cross-harbour traffic volume during peak hours on weekdays (i.e. from 7 am to 10 am and from 5 pm to 8 pm) has already exceeded the total capacity of the RHCs. For instance, the cross-harbour traffic volume to Hong Kong Island during morning peak hours on weekdays has exceeded the total design capacity of the RHCs by 15% (i.e. about 4 200 vehicle trips), and also by as high as 26% in the busiest hour, indicating that the RHCs can no longer accommodate the total traffic volume during peak hours.

13. With regard to individual tunnels, the traffic demands for the CHT and EHC (southbound in the morning and northbound in the evening) have significantly exceeded their respective design capacities by about 40% on average and by as high as 50% in the busiest hour. It takes about 25 and 17 minutes on average for motorists to cross the CHT and EHC respectively during the morning peak hours, approximately tripling the journey time taken when the traffic is smooth⁵. Currently, the overall traffic of the WHC is not as heavy as the CHT and EHC. However, the WHC has already been utilised at its design capacity during morning peak hours on weekdays, and in recent years, there is also occasional congestion. The weekday peak hour traffic demand for the RHCs is set out in <u>Annex 4</u>.

⁵ The time required to travel from the end of traffic queue to the exit of a tunnel.

Current condition 2: Non-cross-harbour traffic and local roads being affected

14. Traffic congestion at the RHCs not only directly lengthens the journey time for crossing the harbour, but also significantly affects non-cross-harbour During peak hours, traffic queues at tunnels tail back to a number of traffic. connecting roads and obstruct inter-district or local roads, slowing down not only north-south cross-harbour traffic but also affecting east-west road links in the During morning and evening peak hours, the traffic queues at the urban areas. CHT have affected and caused congestion in various major roads and local roads in central Kowloon, northern Hong Kong Island and even Aberdeen. As for the EHC, its traffic queues in the morning peak hours have also severely affected the traffic flow along Kwun Tong and Lam Tin, and traffic queues are commonly observed at the Island Eastern Corridor during evening peak hours⁶. The queue lengths and journey time of respective RHCs are set out in Annex 5.

15. Moreover, at present, different tolls are charged for the use of the RHCs (toll levels are set out in <u>Annex 3</u>). Motorists, especially those of private cars, are sensitive to tunnel toll levels. To make a saving on tolls, many motorists are driven by the toll differentials to detour off the nearest tunnel for the one with lower tolls. The vehicles making a detour will also generate additional traffic flow along certain busy road sections in Kowloon and Hong Kong Island, thereby aggravating congestion of urban roads.

Current condition 3: Number and proportion of cross-harbour private cars on the rise

16. Currently, during weekday peak hours, the proportion of transport modes other than mass carriers rises to about 75% in the cross-harbour traffic, with private cars being the main contributor and also having the most rapid growth in number. Yet, private cars are less efficient passenger carriers. From 2011 to 2021, the proportion of private cars in the cross-harbour traffic during weekday peak hours continued to rise from about 50% to some 60%, whereas the proportion of cross-harbour passengers carried was only less than 20%⁷. On the contrary, buses (including minibuses as well as single-decked and double-decked buses) carried nearly 80% of cross-harbour passengers but accounted for less than 10% of the cross-harbour traffic. These figures show that private cars take up

⁶ The major roads affected by the CHT and EHC during peak hours are Gascoigne Road, Princess Margaret Road, Chatham Road North, Gloucester Road, Canal Road Flyover, Aberdeen Tunnel, Kwun Tong Bypass, Lei Yue Mun Road, Island Eastern Corridor, etc., where 14 interchanges are included.

⁷ It refers to the total patronage of the three RHCs only, excluding rail and ferry services.

substantial road space, which in turn reduce the road space available for buses and goods vehicles, leading to a less-than-optimal use of the RHCs and affecting the efficiency of public transport and goods transportation. Worse still, the situation is deteriorating. The existing volume of vehicles using the RHCs is set out in **Annex 6**.

Principles for Charging

17. To address the above traffic conditions, we may take the opportunity of the WHC takeover and the availability of the FFTS technology to introduce the concept of "Congestion Charging" in determining the toll levels of all RHCs, as a means of traffic demand management for an appropriate adjustment of the total cross-harbour traffic flow and effective use of the limited road space, so as to ease the congestion at the RHCs and their connecting roads. Based on the above and the views we have collected so far, we propose considering the following principles for determination of the toll levels of different classes of vehicles using the RHCs:

- (i) Differential toll levels at different periods
 - Based on the overall situation of cross-harbour traffic, toll levels of the tunnels will be re-determined with different toll levels charged at different time periods. The initial idea is to have three different charging periods on weekdays, namely (1) peak period; (2) normal period; and (3) non-peak period. Generally speaking, "normal toll" will be charged during normal period. For morning or evening peak periods, an additional "congestion charge" will be applied on the normal toll to suppress and divert excessive traffic demand, so as to improve the traffic conditions of the RHCs and reduce cross-harbour journey time. Taking into account the traffic situation, "non-peak toll", which will be lower than the "normal toll", will be charged during non-peak periods, benefitting motorists using the RHCs during those periods.
- *(ii) Minimising the impact on non-cross-harbour traffic and encouraging reduction of detour*

"Congestion Charging" aims to discourage some motorists from commuting during peak periods, or encourage them to switch to public transport, thereby alleviating road congestion during peak periods and minimising the impact of tunnel queues on non-crossharbour traffic and local roads nearby. Furthermore, if the tolls charged by the RHCs at a particular time period are adjusted to a similar, or even uniform, level, it would incentivise motorists to use the most direct RHC according to their journey, and less detours will be made because of toll differentials. Additional journey time caused by such detours will then be avoided, enhancing the utilisation efficiency of the road network as a whole.

(iii) Efficiency First

Private cars, with low passenger capacity and efficiency in road utilisation, are the major contributor to the growth of cross-harbour Therefore, "Congestion Charging" should focus on traffic. controlling the number of private cars using RHCs in order to leave the limited road resources to other vehicles. As efficient passenger carriers providing essential public transport service, buses (such as franchised buses) should be supported from the transport policy angle. Commercial vehicles (such as goods vehicles), with few substitutes, also has a central role in transportation supporting various economic activities, thus warranting a review of their toll levels which are now generally higher than those of private cars. Should the "Efficiency First" principle be adopted, more efficient use of the limited road space can be achieved as the toll levels of different classes of vehicles will be determined according to their efficiency as a passenger carrier and their economic benefits to the society.

Adjustment Mechanism

18. Cross-harbour traffic, in the long run, will be affected by factors such socio-economic development, changes in commuting patterns, and as technological innovation and application. In this connection, we will examine the introduction of an adjustment mechanism so that regular reviews will be conducted on the toll levels to maintain the effectiveness of "Congestion Charging" on traffic management. For example, considering that peak periods may change as the society evolves and commuting patterns change, we may regulate the traffic by more flexibly adjusting the time periods for the tolls charged. Besides, we will explore whether a mechanism can be introduced to review and fine-tune the toll levels according to factors such as economic Not only will such mechanism maintain the effectiveness of conditions. "Congestion Charging" on traffic management, but it will also avoid the need to make significant adjustments to the toll levels in the future due to the accumulative effect of economic changes.

Summing Up

19. The number of cross-harbour vehicles has been on the rise, but for various reasons, no adjustment to the tolls of the CHT and EHC with due regard to the need of managing and easing the traffic was made. The ever worsening congestion of the RHCs has imposed increasing social costs in such forms as journey delays, waste of fuels and aggravated pollution. Riding on the takeover

of the WHC and the FFTS implementation, we hope to re-determine the tolls of all RHCs. By charging varying levels of tolls at different time periods (in particular, by introducing an additional "congestion charge" during peak periods) and narrowing the toll differentials of the RHCs, we hope to encourage motorists to change their commuting patterns or switch to public transport, thereby helping to reduce the total cross-harbour traffic.

20. If "Congestion Charging" is not introduced and the tolls of all RHCs are maintained at the prevailing levels upon the takeover of the WHC, cross-harbour traffic congestion will only become worse. In particular, when the pandemic subsides, the full revival of economic activities, including cross-boundary travels, will substantially boost the traffic demand and exert further pressure on the RHCs. Therefore, we consider it necessary to take forward measures as soon as possible to avoid aggravating the congestion at the RHCs and their adjacent areas.

21. It should be emphasised that, to tackle the congestion problem holistically, it is necessary to take a host of measures in terms of continuing to develop transport infrastructure and public transport system, as well as enhance road management and efficiency, apart from introducing "Congestion Charging". Such measures include expansion of the railway network and continued improvement to public transport services. We will in parallel monitor, and use different means such as fiscal measures as and when necessary, to control car growth, with a view to benefitting the society as a whole through a multi-pronged strategy.

Way Forward

22. The consultant engaged by the TD has substantially completed the development of a traffic model for forecasting the traffic conditions under different toll plans. As the travel patterns of the public were considerably affected by the COVID-19 pandemic between early 2020 and mid-2021, the consultant conducted a traffic survey from late September to December in 2021 to collect the latest data, which was more comparable to the traffic conditions before the pandemic. The consultant is consolidating the data and updating the traffic model concerned for the assessment of the impact of various toll plans on the traffic.

23. We will listen to the views of the Members and stakeholders on the proposed principles of the "Congestion Charging" before formulating the specific toll adjustment proposals for the RHCs to be submitted for Members' advice within this year. Upon reaching a consensus in the community, the toll adjustment proposals for the RHCs will be implemented by way of legislative amendment.

TAKEOVER OF WHC

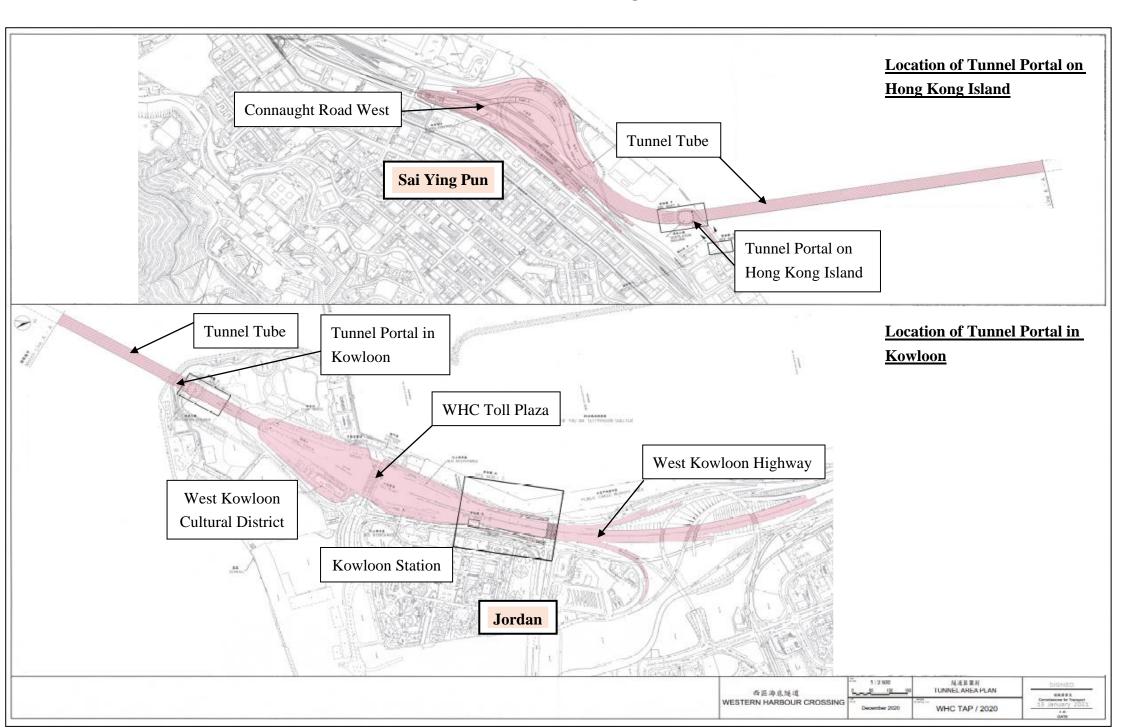
24. The takeover arrangement for the WHC will be made with reference to those of the EHC and the Tate's Cairn Tunnel on their franchise expiries in August 2016 and July 2018 respectively. The takeover will involve changes pertaining to the tunnel ownership as well as the legal backing and management mode for tunnel operation. In tandem with the FFTS implementation, the existing toll booths at the WHC toll plaza will be demolished and the traffic lanes rationalised. Nonetheless, there will be no major change to other aspects of tunnel operation, such as traffic management and prosecution within the tunnel area.

25. The WHC will become a government tunnel upon the franchise expiry. In line with the operation of other government tunnels, the operation of the WHC will be subsumed under the legal framework of the Road Tunnels (Government) Ordinance (Cap. 368) and its subsidiary legislation. The WHC Ordinance and its subsidiary legislation, which provide the legal backing for the existing operation of the WHC as a BOT tunnel, will be repealed upon the Government's takeover of the WHC. For this purpose, we are preparing the relevant legislative amendments to be introduced into the Legislative Council for consideration. Such amendments will mainly be a technical exercise and the details are set out in <u>Annex 7</u>.

ADVICE SOUGHT

26. Members' advice is sought on the principles and major issues to be considered regarding the implementation of the proposed "Congestion Charging" and the arrangements for the Government's takeover of the WHC.

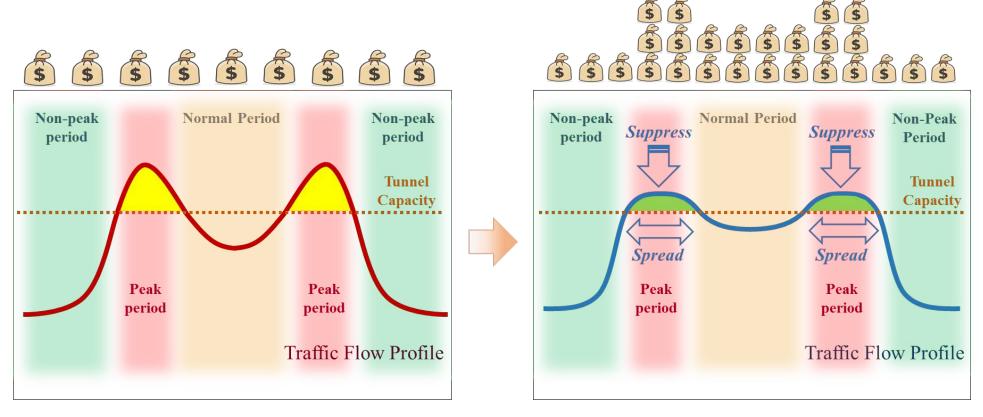
Transport and Housing Bureau June 2022



Concept of Congestion Charging

Fixed Toll

Time-varying Toll



Note: The diagram illustrates the concept of "Congestion Charging" for traffic management. The traffic flow profile may vary subject to the actual traffic demand and toll level of individual tunnels.

Existing and Past Toll Levels of RHCs

(a) CHT

Vehicle Type	2 August 1972	1 June 1984*	1 August 1992*	1 September 1999 (Existing Tolls)
Motorcycles	\$2	\$4	\$4	\$8
Private cars	\$5	\$10	\$10	\$20
Taxis	\$5	\$10	\$10	\$10
Public and private light buses	\$8	\$10	\$10	\$10
Light goods vehicles	\$10	\$15	\$15	\$15
Medium goods vehicles	\$15	\$20	\$20	\$20
Heavy goods vehicles	\$20	\$25	\$30	\$30
Public and private single-decker buses	\$10	\$10	\$10	\$10
Public and private double-decker buses	\$15	\$15	\$15	\$15
Additional axle in excess of two for goods vehicles	\$5	\$5	\$10	\$10

* Tax inclusive

(b) EHC

Vehicle Type	21 September 1989	1 January 1998	1 May 2005@ (Existing Tolls)
Motorcycles	\$5	\$8	\$13
Private cars	\$10	\$15	\$25
Taxis	\$10	\$15	\$25*
Public and private light buses	\$15	\$23	\$38
Light goods vehicles	\$15	\$23	\$38
Medium goods vehicles	\$20	\$30	\$50
Heavy goods vehicles	\$30	\$45	\$75
Public and private single-decker buses	\$20	\$30	\$50
Public and private double-decker buses	\$30	\$45	\$75
Additional axle in excess of two for goods vehicles	\$10	\$15	\$25

*

The existing toll for taxis without passengers is \$15. The effective dates of tolls for taxis without passengers, and public and private light buses were 1 July and 1 October 2005 @ respectively.

(c) WHC (Only the last five actual toll adjustments are listed)

Vehicle Type	1 January 2013		22 February 2015		1 January 2017		27 May 2018		1 June 2019 (Existing Tolls)	
venicie i ype	Statutory Toll	Actual Toll	Statutory Toll	Actual Toll	Statutory Toll	Actual Toll	Statutory Toll	Actual Toll	Statutory Toll	Actual Toll
Motorcycles	\$80	\$25	\$100	\$25	\$120	\$25	\$130	\$25	\$140	\$25
Private cars	\$150	\$55	\$180	\$60	\$210	\$65	\$225	\$70	\$240	\$75
Taxis	\$150	\$50	\$180	\$55	\$210	\$60	\$225	\$65	\$240	\$70*
Public and private light buses	\$170	\$65	\$210	\$70	\$250	\$75	\$270	\$80	\$290	\$85
Light goods vehicles	\$220	\$65	\$260	\$70	\$300	\$75	\$320	\$80	\$340	\$85 [#]
Medium goods vehicles	\$315	\$90	\$385	\$95	\$455	\$100	\$490	\$105	\$525	\$110#
Heavy goods vehicles	\$455	\$120	\$545	\$125	\$635	\$130	\$680	\$135	\$725	\$140#
Public and private single-decker buses	\$170	\$100	\$210	\$110	\$250	\$120	\$270	\$130	\$290	\$140
Public and private double-decker buses	\$250	\$140	\$310	\$155	\$370	\$170	\$400	\$185	\$430	\$200
Additional axle in excess of two for goods vehicles	\$150	\$30	\$180	\$30	\$210	\$30	\$225	\$30	\$240	\$30#

* Midnight empty taxi toll promotion (a concessionary toll of \$10 when paid in cash from 00:00 AM to 07:00 AM) will be extended to 31 August 2022.

Midnight goods vehicle toll promotion (concessionary tolls of \$15 for light goods vehicles, \$20 for medium goods vehicles, \$30 for heavy goods vehicles and \$10 for each extra axle, when paid in cash or prepaid tunnel ticket from 00:00 AM to 07:00 AM) will be extended to 31 August 2022.

Traffic Conditions at RHCs in 2021

Traffic Demand during Weekday Peak Hours

Traffic Demand (No. of vehicles)		WHC	СНТ	ЕНС	RHCs Total	
Tunnel design capacity (per hour, one-way)		4 200	2 600	2 600	9 400	
Weekday morning southbound traffic demand ^{Notes 1,2}	Hourly highest	4 100 [98%]	3 900 [150%]	3 800 [146%]	11 800 [126%]	
	Hourly average	3 400 [81%]	3 700 [142%]	3 700 [142%]	10 800 [115%]	
northbound traffic	Hourly highest	3 900 [93%]	3 900 [150%]	3 800 [146%]	11 600 [123%]	
	Hourly average	3 300 [79%]	3 700 [142%]	3 700 [142%]	10 700 [114%]	

^{Note 1} Morning peak hours refer to 07:00 AM to 10:00 AM. Evening peak hours refer to 05:00 PM to 08:00 PM.

^{Note 2} Tunnel traffic flow and average traffic queue are included.

[] Figures in brackets denote percentage of design tunnel capacity.

Traffic Conditions at RHCs in 2021

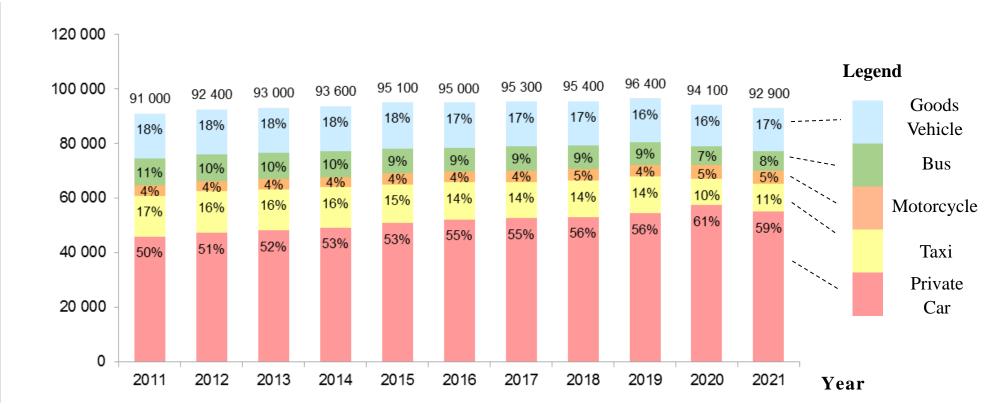
Average Traffic Queue and Journey Time for Crossing the Tunnel during Weekday Peak Hours

		WHC	СНТ	ЕНС
Morning Peak Hours ^{Note 1} (Southbound)	Average length of traffic queue	0.1 km	2.6 km	1.7 km
	Journey time for crossing the tunnel #	3 minutes	25 minutes	17 minutes
Evening Peak Hours ^{Note 1} (Northbound)	Average length of traffic queue	No apparent queue	1.7 km	1.3 km
	Journey time for crossing the tunnel #	3 minutes	15 minutes	15 minutes

^{Note 1} Morning peak hours refer to 07:00 AM to 10:00 AM. Evening peak hours refer to 05:00 PM to 08:00 PM.

Time required to travel from the end of traffic queue to tunnel exit





Traffic flow

^{Note 1} Morning peak hours refer to 07:00 AM to 10:00 AM. Evening peak hours refer to 05:00 PM to 08:00 PM.

Note 2 % denotes the proportion of various vehicle types among the total cross-harbour traffic. The percentages may not add up to 100% due to rounding.

Government's Takeover Arrangements of the WHC

With reference to the arrangements of the EHC and the Tate's Cairn Tunnel upon expiries of their franchises, the Government is preparing the Road Tunnels (Government) (Amendment) Bill 2022 ("Amendment Bill") to introduce the legislative amendments required for the Government's takeover of the WHC in August 2023.

2. The Amendment Bill seeks to add the WHC to the list of tunnels to which the Road Tunnels (Government) Ordinance applies. It also amends the Road Tunnels (Government) Regulations (Cap. 368A), including adding the WHC to the schedules of removal fee¹ and permit fee² for vehicles passing through the government tunnels, allowing the continued use of certain traffic signs at the WHC, and allowing vehicles conveying dangerous goods to use the WHC under permission. These amendments will bring the arrangements in line with those of other two road harbour crossings ("RHCs").

3. The Amendment Bill also provides for the necessary savings and transitional arrangements to ensure that any actions that will be taken in respect

¹ Any vehicle causing an obstruction in a government tunnel may be removed, and the owner of such vehicle may be required to pay the removal fee.

² Any vehicle that exceeds the width or length limit, is towing another vehicle or drawing a trailer with the combined length of the vehicle and trailer exceeding the limit must obtain a permit for passing through a government tunnel. Besides, any vehicle exceeding the height or weight limit must obtain a permit for passing through a government RHC. The owner of such vehicle must pay a permit fee on the issue of a permit.

of the WHC³ will not be affected by the repeal of the Western Harbour Crossing Ordinance ("WHC Ordinance") and its subsidiary regulations. Moreover, it will include consequential amendments to repeal the references to the WHC Ordinance or the franchisee in other legislation⁴.

4. On the other hand, to be in line with the practice of other government tunnels, the WHC will be managed by a contractor of the Government under the supervision of the Transport Department ("TD") and other related departments. The TD will award, through an open tender, a Management, Operation and Maintenance ("MOM") contract to a contractor to take up the operation and management of the WHC upon the franchise expiry. The TD will start preparing for the tender process, and award the contract as appropriate to allow the contractor sufficient time to prepare for the takeover. There will be terms in the MOM contract requiring the contractor to undertake to make first offer of employment to existing employees of the franchisee who are essential to the operation of the WHC. This will facilitate a seamless transfer of the WHC's operation and management to the contractor and ensure a smooth takeover of the WHC.

³ For example, a motorist who crosses the continuous double white lines in the WHC tunnel area commits an offence under the Western Harbour Crossing Bylaw (Cap. 436D) ("the Bylaw"), and the conviction of which may result in, amongst others, driving-offence points being incurred under the Road Traffic (Driving-offence Points) Ordinance (Cap. 375). The transitional provisions in the Amendment Bill enable the Government to record the corresponding driving-offence points incurred once the motorist is convicted on the offence committed prior to the repeal of the above Bylaw.

⁴ For instance, the reference to offences against the Bylaw under the Magistrates Ordinance (Cap. 227) to which a defendant may plead guilty by letter will be repealed.