

**For discussion
on 6 December 2022**

Legislative Council Panel on Transport

Proposed Toll Plans for Road Harbour Crossings

PURPOSE

The franchise of the Western Harbour Crossing (“WHC”) will expire on 1 August 2023. This paper seeks Members’ views on the proposed toll plans for the three road harbour crossings (“RHCs”) (i.e. WHC, Cross-Harbour Tunnel (“CHT”) and Eastern Harbour Crossing (“EHC”)) to be implemented upon the takeover of the WHC by the Government.

BACKGROUND

2. In 2021, peak-hour traffic through the three RHCs exceeded their total capacity by as much as 26%. Among them, the CHT and EHC had the most serious congestion while the WHC was nearing capacity saturation. On average, it took a motorist 25 and 17 minutes to cross the CHT and EHC respectively during the morning peak hours, approximately tripling the journey time taken when the traffic is smooth. Cross-harbour traffic congestion also significantly affects non-cross-harbour traffic, with the peak-hour traffic queues at tunnels tailing back to a number of connecting roads, obstructing the inter-district and local traffic in Kowloon and on Hong Kong Island.

3. The number of cross-harbour private cars has kept growing. Taking the morning peak hours for instance, the proportion of private cars among all cross-harbour vehicles increased from about 50% to about 60% between 2011 and 2021. Yet, private cars carried less than 20% of cross-

harbour commuters¹, with each car taking up an average of about 1.3 passengers. The total carrying capacity of private cars during the busiest one hour was only about 6 000, just one-tenth of the bus fleet's hourly patronage of about 60 000. If we also count in the cross-harbour railways' 130 000 per hour patronage during the peak hours, private cars actually carried only about 3% of all cross-harbour commuters. Therefore, if some private car users could change their travel pattern, it would free up some road space for more efficient passenger carriers such as buses to help ease congestion.

4. Meanwhile, the Government has all along been adopting a multi-pronged strategy to alleviate cross-harbour traffic congestion, encompassing efforts to improve transport infrastructure, expand and enhance public transport services, and manage the use of roads. For example, the East Rail Line Cross-harbour Extension was commissioned in May 2022 as the fourth cross-harbour railway to further improve the public transport system and enhance its passenger carrying capacity. In addition, the Government commenced the study for the Kau Yi Chau Artificial Islands in 2021 and is striving to take forward the project on the relevant priority road links, including the fourth RHC. Given that the construction of transport infrastructure involves enormous resources and efforts, coupled with the fundamental constraint of shortage in land resources, we need to implement traffic management measures in parallel to alleviate cross-harbour traffic congestion.

POLICY OBJECTIVES OF ADJUSTING RHC TOLLS

5. We consulted Members on the toll arrangement for the RHCs at the meeting of the Legislative Council (“LegCo”) Panel on Transport held in June 2022. We briefed Members on the current cross-harbour traffic conditions, including continuous growth in total cross-harbour traffic; non-cross-harbour traffic and local roads being affected, and the number as well as proportion of cross-harbour private cars being on the rise. To address the above traffic conditions, we proposed three charging principles: (i) time-varying tolls; (ii) minimising the impact of tunnel queues on non-cross-harbour traffic and encouraging reduction of detour;

¹ It refers to the total patronage of the three RHCs only, excluding rail and ferry services.

and (iii) “Efficiency First”. These charging principles aim to achieve the following **major policy objectives** –

- (1) rationalising cross-harbour traffic and better utilising the capacity of the three RHCs; and
- (2) changing the commuting pattern of those who drive private cars to cross the harbour in order to suppress and divert the excessive traffic demand during peak periods.

CONSULTATION

6. After consulting the LegCo Panel on Transport in June 2022, we consulted various stakeholders, including the Transport Advisory Committee, academics, professional bodies and transport trades, with a view to collecting their views on the charging principles and implementation direction.

7. Stakeholders had diverse views on the charging principles and implementation direction, but they generally agreed with the policy objectives of adjusting RHC tolls to relieve cross-harbour traffic congestion and its impact on non-cross-harbour traffic. While some expected the Government to lower the toll of the WHC upon taking over it and narrow the toll differentials of the three RHCs, others supported adjusting the tolls upward to curb the use of private cars. Besides, the transport trades reflected that the “time-varying tolls” arrangement would affect the operation of taxis and commercial vehicles (“CVs”). Furthermore, many opined that the Government should improve the ancillary facilities for cross-harbour traffic, such as providing additional park-and-ride facilities and improving public transport services, to facilitate and encourage motorists to switch to public transport.

TWO-STEP STRATEGY

8. After thorough consideration of the views collected during consultation and other factors set out below, we propose to adopt a

pragmatic approach to implement the above policy objectives with a two-step strategy. Details of the considerations are as follows:

- (1) **adjusting toll levels and structure in one go might have a greater impact on the public:** While stakeholders had diverse views on the direction and magnitude of adjustment of toll levels and structure during consultation, many indicated that if the Government made significant adjustments to toll levels and fundamental changes to toll structure in one go, there might generally be a greater impact on the public;
- (2) **cross-harbour traffic volume and data still fluctuating:** We are pleased to see that economic activities have been gradually resuming under the epidemic. Nevertheless, the change of the traffic conditions and the effect on the cross-harbour traffic flow are still fluctuating. We consider it more prudent to take some time to observe before taking the next step of the strategy; and
- (3) **allowing the community to get used to various new cross-harbour tolling arrangements:** “time-varying tolls” will be implemented on the basis of “HK eToll” (i.e. remote electronic toll payment). As “HK eToll” and “time-varying tolls” are both new, we consider that we should allow the community to get used to the new arrangements in an orderly and progressive manner.

SPECIFIC PROPOSALS

9. We propose, as the **first step**, to rationalise cross-harbour traffic as far as possible and better utilise the capacity of the three RHCs. In this regard, we put forward the following specific proposals –

- (1) to continue with the all-day fixed tolls arrangement for the three RHCs; and
- (2) to make a relatively moderate adjustment to the toll levels for private cars which constitute a major share in the cross-harbour traffic volume, and adjust the toll for taxis; tolls for other vehicle types to remain unchanged.

10. For adjustment of toll levels for private cars, it is noted that since the upward adjustment of tolls of the CHT and EHC in 1999 and 2005 respectively, the tolls of the two tunnels have since then remained unchanged (i.e. the private car toll of the CHT having remained at its present level for 23 years, and that of the EHC for 17 years) and the total cross-harbour traffic has continued to increase. There has been a 20% rise in cross-harbour private car traffic during the peak period over the past decade, which has increased the traffic congestion at the CHT and EHC. Such being the case, our priority is to take the opportunity of the WHC takeover to lower its tolls to meet public expectation while avoiding the generation of a surge of additional traffic. We also need to raise the tolls of the CHT and EHC as appropriate to keep the overall cross-harbour traffic at around the existing level. To this end, we propose that, from the date of the WHC takeover (i.e. 2 August 2023), private car toll levels of the RHCs be adjusted as follows –

	WHC	CHT	EHC
Existing toll	\$75	\$20	\$25
Proposed toll	\$60	\$30	\$30

11. As for taxis, we propose to charge an all-day uniform toll of \$25 for using any of the RHCs. As with the existing surcharge arrangement, cross-harbour taxi passengers need to pay the tolls for outbound and return trips (i.e. \$50 in total²). This arrangement will prevent an overwhelming preference of empty taxis to use the CHT and EHC for return trips to enjoy a lower toll, and serve to relieve the burden on these two already congested tunnels. This also ties in with the arrangement of not designating “empty taxi lanes” upon the implementation of “HKEToll” by the Government.

12. The tolls of the three RHCs under this proposal are detailed at **Annex**.

² The return toll of \$25 is not payable by passengers if the hiring begins from a cross-harbour taxi stand; or the final destination is not on the opposite side of the harbour.

13. As mentioned above, we do need to continuously change the commuting pattern of motorists to suppress and divert cross-harbour traffic during peak periods. To achieve this, we will, having regard to the change in traffic flows upon the adjustment of all-day fixed tolls under the first step after the WHC takeover, holistically review the situation within a year for introducing “time-varying tolls”. In taking this **next step**, we will, with regard to the traffic impacts of further resumption of social activities and the operation of the new “HKEToll” to be implemented at various government tunnels progressively in 2023 as well as the community’s reception, and after comprehensive evaluation of the overall situation of cross-harbour traffic, work out the details. The details would include different toll periods and toll levels, and the toll levels and structure for various vehicle types including CVs, with a view to achieving more effective traffic management based on the “Efficiency First” principle.

14. We propose, when we draft the legislative amendment³ under the first step, to also introduce the concept of “time-varying tolls” in the law, in order to provide the legal framework and basis for its implementation in future.

Adjustment Mechanism

15. Cross-harbour traffic is constantly affected by factors such as socio-economic development, changes in commuting pattern, and technological innovation and application. In this connection, we propose introducing a toll adjustment mechanism to maintain the effectiveness of toll charging on traffic management. When drafting the legislative amendments for the first step, we will explore to include clauses to allow the Government to timely fine-tune toll levels and adjust implementing time of the charging periods based on consideration of traffic conditions and under specified conditions, without the need for legislative amendments before implementation.

³ The WHC will become a government tunnel upon expiry of its franchise. Same as the arrangements for other government tunnels, the operation of the WHC will be included in the legal framework of the Road Tunnels (Government) Ordinance (Cap. 368) and its subsidiary legislation. We are working on drafting the relevant legislative amendments.

SUPPORTING MEASURES

16. We will keep in view the effectiveness of tunnel toll adjustments, in particular the changes in the number of cross-harbour private cars, and introduce other supporting measures, including park-and-ride facilities, enhancement of public transport services (e.g. increasing frequency and routes), to further reduce the impact of cross-harbour traffic congestion on non-cross-harbour traffic. This will benefit passengers who take public transport to cross the harbour, non-cross-harbour traffic and passengers, as well as private car users.

FINANCIAL IMPLICATIONS

17. Toll collection is an effective traffic management measure. When considering toll adjustment, the Government focuses on how to enhance traffic management and relieve the burden of the public, and does not aim to increase government revenue. The revenue generated from this RHC toll adjustment proposal is estimated to be comparable to that generated if the existing toll levels remain unchanged after the WHC takeover.

WAY FORWARD

18. Subject to Members' support on the toll adjustment proposal for RHCs, we plan to commence the work on legislative amendments in the first quarter of 2023, and implement the new tolls after the takeover of the WHC.

Transport and Logistics Bureau
Transport Department
30 November 2022

Toll Adjustment Proposal for RHCs

Proposed Tolls of RHCs under the First Step

Vehicle Type	Proposed Tolls		
	WHC	CHT	EHC
Motorcycles	\$25	\$8	\$13
Private cars	\$60	\$30	\$30
Taxis	\$25	\$25	\$25
Taxis (no passenger)	\$25	\$25	\$25
Light goods vehicles	\$85	\$15	\$38
Medium goods vehicles	\$110	\$20	\$50
Heavy goods vehicles	\$140	\$30	\$75
Public and private light buses	\$85	\$10	\$38
Public and private single-decked buses	\$140	\$10	\$50
Public and private double-decked buses	\$200	\$15	\$75