

For discussion on
8 January 2015

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**Lantau Development Advisory Committee
Traffic and Transport Subcommittee**

Suggestion to Abolish the Toll for the Lantau Link

PURPOSE

This paper aims to brief the Traffic and Transport Subcommittee of the Lantau Development Advisory Committee on the background of the toll for the Lantau Link and an analysis of the toll for the Lantau Link and the toll-free proposal for the future Tuen Mun – Chek Lap Kok Link (TM-CLKL).

CURRENT TOLL POLICY ON TOLLED TUNNELS AND BRIDGES

2. The tolls of the government tolled tunnels and roads are determined on the basis of the “user-pays” principle, which aims at recovering the full cost of providing, operating and maintaining the tunnels and roads, including the capital cost invested. The Government will review the toll levels of these tunnels and roads each year, taking into account the impact of the tolls on the traffic flow and the economy as well as the public affordability and acceptability, etc. If adjustment is considered necessary after the review, the Government will consult the Legislative Council Panel on Transport and effect the adjustment by way of amending the tunnel tolls and control area tolls prescribed in the Schedules to the relevant legislations.

CURRENT TOLL ARRANGEMENT ON THE LANTAU LINK

3. Different toll rates are set for different types of vehicles using the Lantau Link (**Appendix 1**) to reflect the following factors:

- Different degree of usage of road space, plus the wear and tear caused,

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by different types of vehicles;

- Higher toll rate for private cars in view to encourage the use of public transport; and
- Affordability and acceptability of the public (including airport staff and residents of Tung Chung new town).

4. The Lantau Link is currently the only route linking Lantau to Kowloon and the New Territories. It has adopted a one-way toll collection arrangement where drivers should pay for both to and fro tolls on their trips leaving Lantau. Apart from bringing about savings on management manpower thereby reducing daily operational expenses, such arrangement can be convenient to drivers as they do not need to pay on their way to Lantau.

5. No toll adjustment has been made to the Lantau Link since it came into operation in 1997.

CONSIDERATIONS OF THE TOLL RATES OF THE TM-CLKL

6. The TM-CLKL will become the second route linking Lantau upon its anticipated completion in 2018. Based on the “user-pays” principle, the Government plans to recover the full cost of providing, operating and maintaining the TM-CLKL, including the capital cost invested by charging tolls. When deciding on the toll rates of the TM-CLKL, the various factors mentioned in paragraph 2 above will be given consideration.

IMPACTS OF THE ABOLISHMENT OF THE TOLL FOR THE LANTAU LINK AND EXEMPTION OF THE TOLL FOR THE FUTURE TM-CLKL

7. The abolishment of the toll for the Lantau Link and exemption of the toll for the future TM-CLKL would go against the “user-pays” principle. Some opine that the abolishment of the toll might increase the utilisation of the Lantau Link. In fact, the toll constitutes only a small part of the travelling costs¹ in that relatively long distance travel to and from Lantau using the

¹ Travelling costs include the tolls for roads, fuel costs, parking fees, drivers’ wages (such as non-franchised buses providing tour services and goods vehicles) and fares paid by passengers (such as buses and taxis).

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Lantau Link. It is therefore indeed questionable whether such abolishment will affect people's desire to drive when travelling to and from Lantau.

CONCLUSION

8. With the proposal of abolishment of the toll for the Lantau Link and exemption of the toll for the future TM-CLKL, the Government will be unable to recover the full costs of providing, operating and maintaining these two major infrastructures, including the capital costs invested, in accordance with the "user-pays" principle. Also, the extent to which the traffic flow will be enhanced by the abolishment or exemption of the tolls is in doubt. Hence, we do not recommend pursuing the proposal further. When reviewing the toll rates for the Lantau Link and setting those for the TM-CLKL in future, we will consider and strike a balance among various factors like the impacts of the tolls on traffic flow and economy as well as the public affordability and acceptability.

ADVICE SOUGHT

9. Members are invited to note the paper.

**Transport and Housing Bureau
Transport Department
January 2015**

Toll Rates of the Lantau Link	
Vehicle Types	Toll Rates ⁽¹⁾
Motor cycles, motor tricycles	\$20
Private cars, electrically powered passenger vehicles	\$30
Taxis	\$30
Public light buses	\$40
Private light buses	\$40
Light goods vehicles, special purpose vehicles of a permitted gross vehicle weight not exceeding 5.5 tonnes	\$40
Medium goods vehicles, special purpose vehicles (other than articulated vehicles) of a permitted gross vehicle weight exceeding 5.5 tonnes but not exceeding 24 tonnes	\$50
Heavy goods vehicles, special purpose vehicles (other than articulated vehicles) of a permitted gross vehicle weight exceeding 24 tonnes	\$80
Public and private single-decked buses	\$40
Public and private double-decked buses	\$60
Articulated vehicles	\$80
Vehicle towing another vehicle	The aggregate of the tolls applicable to the types or classes of both vehicles involved.
Vehicle (other than articulated vehicle) towing a trailer	The toll applicable to the type or class of the vehicle plus \$30 for the trailer.

Note: ⁽¹⁾ Tolls to be collected on trip leaving Lantau.