

Autotoll

The total number of tags in circulation was 215,450 as at 31 December 2006, representing an increase of 3.0% from the year before. Autotoll's penetration rate on licensed vehicles was about 39% on average. The overall usage of auto-toll facilities in all ten toll roads and tunnels maintained at about 50% with the highest usage at the Western Harbour Tunnel at around 60%. The daily transactions handled by Autotoll were about 329,000 with toll amount of approximately HK\$6.4 million. The number of subscribers for the Global Positioning System at the end of the year under review was about 2,000.

Hong Kong School of Motoring ("HKSM")

HKSM recorded an increase of 6% in tuition fees income due to a significant increase in the demand for driving lessons despite a further reduction in the income from motorcycle training courses, as compared with the previous year. The improvement in throughput was the result of vigorous sales and marketing efforts, along with extensive launching of brand rejuvenation program.

Western Harbour Tunnel ("WHT")

The construction of the Western Harbour Tunnel was completed in April 1997 at a total cost of HK\$7 billion. The dual three-lane tunnel has been under-utilised due to lower tolls at the other cross-harbour tunnels and poor connecting roads leading to and from the WHT. The company will continue to work with the Government to improve the overall traffic flow of Hong Kong through better usage of the WHT.

Toll

The fifth toll gazettal took effect on 31 July 2006 due to the performance of the tunnel being below the target set in the WHC Ordinance. Although this allows the tunnel toll to be raised, actual tolls have remained unchanged for the time being.

Tunnel Usage

Throughput for the year was 16,195,988 vehicle journeys, representing an increase of 7.7% from 2005. The daily average throughput stood at 44,373 vehicle journeys and the market share of WHT increased from 18.1% in 2005 to 19.4% in 2006.

	Traffic Mix	
	2006	2005
Private Cars/Taxis and Motorcycles	73.6%	72.8%
Goods Vehicles	11.0%	10.8%
Buses	15.4%	16.4%
	<u>100.0%</u>	<u>100.0%</u>

In terms of traffic volume by vehicle category, usage by private cars, taxis and motorcycles in 2006 increased by 9.0% and usage by goods vehicles also increased by 9.4% while bus traffic increased slightly by 1.1% as compared to 2005. The average net toll per vehicle was slightly reduced from \$45.77 in 2005 to \$45.52 in 2006 due to a larger increase in private cars mix.

Accidents

The traffic accident occurrence rate increased by 17% during 2006 was mainly attributable to adverse weather. The company took constant measures to remind tunnel users of road safety.

	Occurrence Rate per million vehicle trips	
	2006	2005
Fatal Accidents	0.00	0.00
Traffic Accidents (Personal Injury)	1.48	0.47
Traffic Accidents (Damage Only)	3.89	4.12
TOTAL:	<u>5.37</u>	<u>4.59</u>

Breakdowns

The occurrence rate of breakdowns in 2006 reduced by 21.3% and the average time taken to attend the scene maintained below two minutes.

	2006	2005
Total Breakdowns (occurrence rate per million vehicle trips)	16.36	20.80
Daily Average Breakdowns	0.73	0.85

Escorts

	Number of trips	
	2006	2005
Dangerous Goods & Abnormal Goods	1,268	1,530

Infringements

The number of infringements per million vehicle trips increased by 8.9% in 2006 due to increase in toll evasion cases. As most of the evasion cases were recovered before prosecution, the number of prosecutions per million vehicle trips reduced by 22.6%.

	Number of Events Per million vehicle trips	
	2006	2005
Total Infringements Reported	514	472
Prosecutions	20.9	27.0

Maintenance

Throughout the year 2006, all major tunnel systems operated in a safe and reliable condition.

Preventive maintenance work was performed on all engineering systems and no major defects were revealed in the course of the maintenance.

As an annual exercise, an Independent Consulting Engineer was engaged in November 2006 to conduct a maintenance audit, which showed that all tunnel infrastructure and systems had been maintained in compliance with Maintenance Manual, which is a standard agreed with the Highways Department.

Staff

Staff turnover for the year was 9.3% (2005 – 10.6%) with 20 members departed.



Cross-Harbour Tunnel at Hunghom

(managed by Hong Kong Tunnels and Highways Management Company Limited (“HKTHMCL”) and Hong Kong Transport, Logistics and Management Company Limited (“HKTLMCL”))

HKTHMCL operated the Cross-Harbour Tunnel (“CHT”) at Hunghom under a Management, Operations and Maintenance (“MOM”) Contract with the Government for a period of two years commencing 1 September 2002 and extension had been granted by the Government for a further period of twenty-four months to 31 August 2006. The company was entitled to a management fee income from, and shared other revenue with, the Government. The Contract expired on 31 August 2006.

HKTLMCL succeeds the tender to operate CHT under the 3rd MOM Contract with the Government for a period of 26 months commencing from 1 September 2006 with an option by the Government to extend for a further period of 24 months. Similarly, this new company is entitled to a management fee income from, and shares the advertising revenue with, the Government.

Tunnel Usage

Traffic throughput during 2006 was 45,211,232 vehicle journeys, representing an increase of 0.8% from 2005.

In terms of vehicle mix profile, the private cars category (i.e. private cars, taxis and motorcycles) decreased by 0.5% as compared to last year, while usage by buses increased by 0.1% and usage by goods vehicles increased by 0.4%. CHT’s average toll per vehicle decreased to \$15.82 in 2006 from \$15.91 last year.

	Traffic Mix	
	2006	2005
Private Cars/Taxis and Motorcycles	66.4%	66.9%
Goods Vehicles	22.7%	22.3%
Buses	10.9%	10.8%
	<u>100.0%</u>	<u>100.0%</u>

Accidents

The overall traffic accident occurrence rate reduced by 5.3% during 2006. The company took constant measures to remind tunnel users of road safety.

	Occurrence Rate per million vehicle trips	
	2006	2005
Fatal Accidents	0.00	0.00
Traffic Accidents (Personal Injury)	0.71	0.89
Traffic Accidents (Damage Only)	13.94	14.58
TOTAL:	<u>14.65</u>	<u>15.47</u>

Breakdowns

The occurrence rate of breakdowns in 2006 increased by 5.3% and the average time taken to attend the scene maintained at two minutes.

	2006	2005
Total Breakdowns (occurrence rate per million vehicle trips)	31.77	30.16
Daily Average Breakdowns	3.93	3.70

Escorts

	Number of trips	
	2006	2005
Dangerous Goods & Abnormal Goods	1,281	1,212

Infringements

The number of infringements and prosecutions per million vehicle trips increased by 26.1% and 31.6% respectively mainly due to traffic offences.

Infringements included 38 excessive smoke emissions from vehicles, which the company referred to the Environmental Protection Department for action.

	Number of Events per million vehicle trips	
	2006	2005
Total Infringements Reported	17.9	14.2
Prosecutions	12.9	9.8

Maintenance

All major tunnel systems operated satisfactorily. Major replacement works were carried out continuously by the Highways Department, Architectural Services Department and Electrical and Mechanical Services Department.

During the contract period, the unit cost of replacement and maintenance of tunnel equipment which exceeds a value of HK\$120,000 shall be borne by the Government.

Staff

Staff turnover for the year was 10.7% (2005 – 12.3%) with 26 members either retired or resigned.