

Legislative Council Panel on Transport

New Territories Taxi Fare Concession Application

PURPOSE

This paper informs Members of the latest developments on the application made by the New Territories (“NT”) taxi trade to offer fare concession for six months.

BACKGROUND

2. At the meeting on 29 May 2003, Members considered LC Paper No. CB(1)1789/02-03(01) and were briefed on the NT taxi trade’s proposal to offer temporary fare concession for a period of six months with a view to improving the competitiveness of NT taxi services. In particular, Members noted the following –

- (a) the application was submitted jointly by all 10 NT taxi associations (“the 10 NT Taxi Associations”) which are registered members of the Conference on New Territories Taxi Operations of Transport Department (“TD”). The proposed fare concession is supported by the majority of NT taxi operators including owners and drivers; and
- (b) the New Territories Taxi Drivers Association, the New Territories Taxi Operation Concern Group and some individual NT taxi operators have indicated objection to the proposed fare concession. However, no objection has been received from major taxi associations or workers’ unions on the proposed fare concession.

3. Members considered that the Administration should further discuss with the relevant NT taxi associations to address the concerns of those who objected the proposed fare concession. Members also asked the Administration to consider conducting a survey to gauge the views of all NT taxi operators.

LATEST DEVELOPMENTS

The 10 NT Taxi Associations

4. TD has further discussed with the 10 NT Taxi Associations. They reaffirmed their support for the proposed fare concession. They considered that, since the application is supported by the majority of the trade, there is no need for any survey and that the Administration should take forward the proposed fare concession for early implementation.

5. Furthermore, the 10 NT Taxi Associations stated that, if a survey is to be conducted, they would withdraw their application for temporary fare concession.

The New Territories Taxi Drivers Association and the New Territories Taxi Operation Concern Group

6. TD has also met with the New Territories Taxi Drivers Association as well as the New Territories Taxi Operation Concern Group. The association maintained its views that a survey to ascertain the NT taxi drivers' views was necessary. The concern group also expressed that the proposed fare concession would likely cause negative impact on NT taxi drivers. It requested that a survey should be conducted if the Government did not accept its objection.

ASSESSMENTS AND WAY FORWARD

Assessments

7. We have examined the matter taking into account the latest developments. Our assessments are set out in paragraphs 8 – 11 below.

8. On taxi fare and operation aspects, TD has established a regular communication and consultation framework. This framework has been proved to be effective and is an important entity for the Government to consult the trade. Since there are many associations within the trade, in the consultation process, TD's principles are that the associations should be representative of the taxi operators so that majority views could be reflected as far as possible. According to TD's record,

members of the 10 NT Taxi Associations consist of about 4,800 operators, representing about 80% of the NT taxi trade. They include all three types of operators in the trade, namely drivers (about 2,500), owners (about 1,100) and owner-drivers (about 1,200).

9. The proposed temporary fare concession is the consensus among the majority of the NT taxi trade. They believe that the fare concession could induce additional business and bring about positive effects to both owners and drivers. If a survey was to be conducted, they would withdraw their application. This would effectively abort a fare concession supported by the majority of the trade.

10. In addition, the proposed fare concession should benefit the public in general as they could enjoy a lower fare for taking NT taxis. In particular for long haul trips, passengers may enjoy a fare discount of over 20%. The proposed fare concession should be supported by the general public and it is their wish for early implementation of the fare concession.

11. Whilst we can understand the concerns of those who oppose to the proposed fare concession, we think that it is important to take into account the views of the majority of the trade and the interest of the public.

Way Forward

12. Based on the assessments above, we do not consider it appropriate to conduct a survey for the NT taxi trade. Instead, we intend to seek approval from the Chief Executive-in-Council to implement the proposed temporary fare concession as soon as practicable and effect the fare concession immediately after gazettal without waiting for the completion of the negative vetting period. We wish Members could understand the urgency of this issue and could support the proposed arrangement.

13. If the application is approved, we do not intend to require taxi operators to re-calibrate their taximeters so that they can save the money and time otherwise required for the re-calibration. Instead, during the concessionary period, we will require NT taxi drivers to display the fare conversion table and to set out in manuscripts on the taxi

fare receipts the correct fares charged according to the revised fare scale so as to better protect the interest of passengers.

Environment, Transport and Works Bureau
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