Supplementary Note for Legislative Council Panel on Transport

New Territories Taxi Temporary Fare Concession

Purpose

This note briefs Members on the latest developments on the New Territories ("NT") taxi temporary fare concession as well as the arrangements to promote the temporary fare concession and to monitor its impacts on the NT taxi trade.

Background

2. At the meeting on 2 June 2003, Members considered the NT taxi trade's proposal to offer temporary fare concession for a period of six months vide LC Paper No. CB(1)1850/02-03(01). Whilst most Members agreed that the Administration could proceed with the fare concession, they asked for a further paper on the arrangements to be put in place to promote the fare concession and to monitor its impacts on the trade.

Latest developments

3. On 6 June 2003, some NT taxi drivers who objected to the fare concession staged a slow drive protest action. They considered that the fare concession would adversely affect the income of the frontline drivers. They requested that frontline drivers should first be consulted and that the fare concession should be shelved or deferred.

4. We met with representatives of the relevant NT taxi drivers on both 6 and 7 June 2003. We advised them that the fare concession is supported by the majority of the trade with a view to boosting their business and is in the public interest. The representatives appreciated these objectives but opined that the concessionary period is too long.

5. After further discussion with the representatives and the 10 NT taxi associations which applied for the fare concession, we secured their agreement to implement the fare concession on 8 June 2003 as

scheduled. Transport Department ("TD") will proceed immediately with the planning work for a survey to be conducted among the NT taxi trade to ascertain the effect of the fare concession and to gauge the NT taxi operators' views on whether the fare concession should continue. TD will consult the trade on the design of the questionnaire. It was further agreed that the survey should be completed and analyzed in time for a decision to be taken on the way forward within one month from the commencement of the concession. Meanwhile, the Government will help promote the fare concession scheme through various publicity and promotional measures.

Promotional measures

6. TD has developed, in collaboration with the NT taxi trade, a package of measures to promote the fare concession. These measures include –

- (a) distributing window stickers at designated taxi stands and LPG gas refilling stations to NT taxi drives for display on the rear windscreen of the taxis to inform passengers of the fare concession;
- (b) displaying big banners at the Airport, Lok Ma Chau ("LMC") Control Point and designated taxi stands to attract passengers' attention;
- (c) broadcasting Announcements in Public Interest on radios;
- (d) posting concessionary fare notices at prominent locations of residential blocks in public housing estates in the NT. The notices will also be distributed to passengers and tourists at the Airport, LMC Control Point, District Offices, TD's licensing offices and LPG refilling stations. Furthermore, the notices will be uploaded to the web sites of TD, the Quality Taxi Services Steering Committee and the Hong Kong Tourism Board for wider audience through electronic means;

- (e) updating LED passenger information display panels and passenger information display boards at the Airport, the LMC Control Point and designated taxi stands with the concessionary fare structure; and
- (f) notifying all Government departments of the fare concession.

Monitoring arrangements

7. In addition to the survey described in paragraph 5 above, taximeter reading survey will be conducted to assess the revenue received by NT taxi drivers after implementation of the fare concession. Passenger survey will also be conducted to gauge their views on the fare concession. On the other hand, TD will maintain close contact with NT taxi trade to keep in view changes in NT taxi rentals.

8. At the same time, TD will continue to liaise with the Police and the Office of the Telecommunications Authority to step up enforcement actions against illegal practices in order to protect the interest of the trade as a whole.

Next steps

9. We will inform the Panel on Transport of the survey results and our plans on the way forward when they are available.

Environment, Transport and Works Bureau June 2003