

Legislative Council Panel on Transport Permitted Operating Areas for New Territories Taxis

Purpose

This paper informs Members of the reasons for designating permitted operating areas for New Territories (“NT”) taxis and the Administration’s view on the request from the NT taxi trade to extend the permitted operating areas for NT taxis in the light of the opening of AsiaWorld-Expo and the commissioning of Tung Chung Cable Car System.

Permitted Operating Areas for NT Taxis

2. Under the existing legislation, there are designated operating areas for NT taxis and Lantau taxis but not for urban taxis. The permitted operating areas for NT and Lantau taxis are specified in Schedule 7 to the Road Traffic (Registration and Licensing of Vehicles) Regulations (Cap. 374E) (“the Regulations”). The existing permitted operating areas for NT taxis are depicted at **Annex**.

3. NT taxis were introduced in 1976 in response to passenger demand in the remote areas of NT. At the time, taxis were reluctant to serve such remote areas in the NT where business opportunities were less attractive than those in the urban districts. Given that the intention for introducing NT taxis was to provide taxi services to the rural areas in the NT, permitted operating areas were drawn up to confine NT taxi operation to mainly the north-eastern (i.e. north of Sha Tin) and north-western NT (i.e. north of Tsuen Wan). This is to ensure that the more remote and rural areas of the NT would have adequate provision of taxi services.

Policy on Adjusting Permitted Operating Areas for NT Taxis

4. The Government reviews the permitted operating areas for NT taxis from time to time in response to changing circumstances and requests from NT taxi operators and NT residents. Certain adjustments to the permitted operating areas have been made in the past to allow limited access to certain locations at the periphery of urban areas along

specified routes (with no picking up or dropping off activities allowed along the routes). In considering adjustments to the permitted operating areas for NT taxis, the following factors are taken into account -

- (a) Due to greater demand for taxi services in the urban areas than in the NT, taxi drivers generally prefer to operate in urban districts where business opportunities are better. In order to ensure the adequate provision of taxi services in the rural and more remote parts of the NT, the main operating areas of NT taxis should remain in the north-eastern and north-western NT;
- (b) to facilitate NT taxi passengers to interchange with other transport, especially the railways, and to cater for special passengers demand at major public facilities, NT taxis could be allowed to access major public transport interchanges and certain major public facilities in the fringe of the original permitted operating areas for NT taxis; and
- (c) Given the difference in fares among NT, urban and Lantau taxis, adjustment to the permitted operating areas of NT taxis would have an impact on the business of the other two types of taxis. A delicate balance has to be maintained between the interests of the taxi trades and the passenger demand for taxi services. Any adjustment to the permitted operating areas for NT taxis should therefore be fully justified. Consultation with the taxi trades will be conducted before adjustments are made.

Review of the Permitted Operating Areas for NT Taxis in 2004/2005

5. The most recent review on the permitted operating areas for NT taxis was conducted in 2004 in the light of the opening of MTR Tseung Kwan O Line and the then forthcoming opening of Hong Kong Disneyland and the new air passenger terminal at SkyCity, which is currently under construction. Having considered the relevant factors as stated in paragraph 4 above, it was proposed to revise the permitted operating areas to enable NT taxis, under specified routes, to access -

- (a) Hong Kong Disneyland to provide a wider choice of public transport services for this new large-scale recreational attraction within the NT and to meet public expectation for a direct taxi service to serve the theme park. NT taxis were to be permitted

to use Tsing Yi North Coastal Road, a connecting road in Tsing Yi already open to other vehicles, to access Hong Kong Disneyland and Lantau;

- (b) a new NT taxi stand in close proximity to the Hang Hau MTR Station to facilitate NT taxi passengers from Sai Kung District to interchange with the MTR Tseung Kwan O Line; and
- (c) the departure area of the new air passenger terminal at SkyPlaza of the Airport to facilitate NT taxi passengers to depart from the new passenger terminal.

6. The NT, urban and Lantau taxi trades were consulted on the above proposals in November 2004. The NT taxi trade welcomed the proposal, while the urban and Lantau taxi trade did not object to the proposals. The Legislative Council Panel on Transport was consulted in February 2005 and supported the proposals. Legislative amendment was subsequently made to permit NT taxis to operate at Hang Hau MTR Station and the Hong Kong Disneyland starting from 8 July and 16 August 2005 respectively. In addition, legislative amendment will shortly be made to permit NT taxis to operate at the new airport passenger terminal at SkyCity upon its opening in mid-2006.

AsiaWorld-Expo and Tung Chung Cable Car Terminal

7. In September 2005, the Transport Department (“TD”) received a request from some of the NT taxi trade members for permitting NT taxis to operate at the AsiaWorld-Expo and Tung Chung Cable Car Terminal in Tung Chung New Town. In October and November 2005, the Government received strong objection from the urban and Lantau taxi trades against further extension of the permitted operating areas for NT taxis on Lantau.

8. After careful deliberation, the Government considers that there is inadequate justification for the proposed extension of the permitted operating areas for NT taxis to cover AsiaWorld-Expo and Tung Chung Cable Car Terminal. The reasons are explained in paragraphs 9 to 11 below.

AsiaWorld-Expo

9. The island of Chek Lap Kok is outside the permitted operating areas of NT taxis. At present, NT taxis are only allowed to access the passenger terminal of the airport to facilitate passengers arriving or leaving Hong Kong by airplanes at the only airport in Hong Kong. NT taxis are not allowed to access other parts of the island of Chek Lap Kok. Similarly, although the AsiaWorld-Expo is on the island of Chek Lap Kok, it is not part of the air passenger terminal to and from which passenger demand is usually international in nature. Moreover, there are adequate public transport services, including railways, urban taxis and franchised bus services, between NT and the AsiaWorld-Expo. In view of the above, there is no strong justification to permit NT taxis to operate at the Asia World-Expo.

Tung Chung Cable Car Terminal

10. NT taxis are currently not allowed to operate at Tung Chung New Town, which is served by adequate public transport services. The Tung Chung Cable Car Terminal, which is a kind of transport facility itself, is located within the Tung Chung New Town and is connected to the Tung Chung Public Transport Interchange adjacent to the Tung Chung MTR station. The Terminal will thus be well served by the existing public transport services and there is little justification to amend the permitted operating areas for NT taxis to cover it.

11. The Government has to strike a delicate balance among the interests of the taxi trades as well as the demand for transport services throughout the territory. Considering that there are sufficient public transport services for the AsiaWorld-Expo and Tung Chung Cable Car Terminal, and the strong objections from the urban and Lantau taxi trades, we do not consider there is adequate justification to extend the permitted operating areas for NT taxi to these two locations.

Ping Shek and Tsueng Kwan O Industrial Estate

12. Separately, the Clerk to Panel has referred to us a submission from the Sai Kung Taxi Operators Association Ltd requesting the Government to allow NT taxis to operate at Choi Hung MTR Station at

Ping Shek and Tsueng Kwan O Industrial Estate. In fact, the suggestions of extending the permitted operating areas for NT Taxi to the above two locations have been thoroughly considered in the 2004 review. The reasons why the suggestions were not acceded to include –

- (a) these two locations are neither major public transport interchange nearest to the original NT taxi operating areas nor major public facilities; and
- (b) there are adequate public transport services serving the two locations.

TD explained the Government's position on the proposed extension regarding Tsuen Kwan O Industrial Estate and Ping Shek to the NT taxi trade during the NT Taxi Trade Conferences in December 2002 and November 2004 respectively.

Way Forward

13. The Administration will review the permitted operating areas for NT taxis from time to time, taking into account new developments in the NT. The urban, NT and Lantau taxi trades will be consulted before any adjustment is made.

Environment, Transport and Works Bureau
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