

立法會
Legislative Council

LC Paper No. CB(1)902/08-09

(These minutes have been
seen by the Administration)

Ref: CB1/SS/1/08/1

**Subcommittee on Road Traffic (Public Service Vehicles)
(Amendment) Regulation 2008**

**Minutes of second meeting on
Tuesday, 28 October 2008, at 2:30 pm
in the Chamber of the Legislative Council Building**

Members present : Hon Miriam LAU Kin-ye, GBS, JP (Chairman)
Hon Andrew CHENG Kar-foo
Hon LI Fung-ying, BBS, JP
Hon CHEUNG Hok-ming, SBS, JP
Hon Ronny TONG Ka-wah, SC
Hon Cyd HO Sau-lan
Hon IP Wai-ming, MH

Member absent : Hon WONG Kwok-hing, MH

Members attending : Hon Emily LAU Wai-hing, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon IP Kwok-him, GBS, JP

Public officers attending : **Agenda item I**

Mr YAU Shing-mu
Under Secretary for Transport and Housing

Miss Shirley YUEN
Deputy Secretary for Transport and Housing

Mrs Avia LAI
Principal Assistant Secretary for Transport and Housing

Mr Don HO
Assistant Commissioner/Management and Paratransit
Transport Department

Mr Ken HUI
Chief Transport Officer/Planning /Taxi
Transport Department

**Attendance by
invitation**

: Agenda item I

Taxi & PLB Concern Group

黎銘洪先生
主席

Rights of Taxi (Si Hai) Telecommunication Centre Limited

Mr YU Chui-kan
Chairman

Taxi Dealers & Owners Association Limited

Mr NG Kwan-sing
President

Chung Shing Taxi Limited

Mr CHENG Hak-wo
Chairman

Urban Taxi Drivers Association Joint Committee Co., Ltd.

Mr KWOK Chi-piu
Chairman

CTOD Association Company Limited

覃友忠先生
主席

Hong Kong Taxi Association

黎海平先生
主席

Wing Tai Car Owners & Drivers Association Ltd.

Mr Ricky CHOI
Chairman

Wai Yik HK, Kln & NT Taxi Owners Association Ltd.

Mr William LI Kwok-ying
Vice-chairman

Chuen Lee Radio Taxis Association Ltd.

Ms WU Yim-chun
Chairman

Hong Kong & Kowloon Radio Car Owners Association Ltd.

Miss LAW Suet-fan
Secretary

Abbo Taxi Owners' Association Limited

Mr LEE Yan
Chairman

Lantau Taxi Association

Mr POON Kwok-hung
Chairman

Rights of Taxi Owners and Drivers Association Limited

Mr LAU Kim-wan
Chairman

Taxi Drivers & Operators Association Ltd.

Mr NG Chung-wai
Public Relations Officer

The Hong Kong Taxi & Public Light Bus
Association Limited

Mr TONG Yeuk-fung
理事長

Individual

Mr CHENG Cho-kwong
Shatin District Councillor and
Vice Chairman
District Facilities Management Committee
Shatin District Council

Tai Wo Motors Ltd

Mr Aaron NG Hoi-shan
Vice Chairman

Clerk in attendance : Ms Rosalind MA
Chief Council Secretary (1)2

Staff in attendance : Miss Winnie LO
Assistant Legal Adviser 7

Ms Sarah YUEN
Senior Council Secretary (1)6

Miss Winnie CHENG
Legislative Assistant (1)5

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- I Meeting with deputations/the Administration**
(LC Paper No. CB(1)107/08-09(05) - List of follow-up actions arising from the meeting held on 21 October 2008 prepared by the Legislative Council Secretariat
- File ref: THB(T)L 3/3/5 - The Legislative Council Brief
- L.N. 219 of 2008 - Road Traffic (Public Service Vehicles) (Amendment) Regulation 2008

Action

- LC Paper No. LS 2/08-09 - Legal Service Division Report on Subsidiary Legislation tabled in the Legislative Council on 8 October 2008
- LC Paper No. CB(1)69/08-09 - Paper on Road Traffic (Public Service Vehicles) (Amendment) Regulation 2008 prepared by the Legislative Council Secretariat (Background brief)
- LC Paper No. CB(1)72/08-09(01) - Marked-up copy of the Regulation prepared by the Legal Service Division
- LC Paper No. CB(1)107/08-09(01) - Submission from Urban Taxi Drivers Association Joint Committee Co., Ltd.
- LC Paper No. CB(1)107/08-09(02) - Submission from Hong Kong Taxi Association
- LC Paper No. CB(1)107/08-09(03) - Submission from Taxi Drivers & Operators Association Ltd.
- LC Paper No. CB(1)107/08-09(04) - Submission from The Hong Kong Taxi & Public Light Bus Association Limited)
- LC Paper No. CB(1)143/08-09(01) - Submission from Motor Transport Workers General Union
- LC Paper No. CB(1)144/08-09(01) - Submission from Taxi & PLB Concern Group
- LC Paper No. CB(1)144/08-09(02) - Submission from Lantau Taxi Association
- LC Paper No. CB(1)144/08-09(03) - Submission from 市區的士十八聯席
- LC Paper No. CB(1)144/08-09(04) - Submission from Mr CHENG Cho-kwong, Shatin District Councillor and Vice Chairman of District Facilities Management Committee, Shatin District Council
- LC Paper No. CB(1)144/08-09(05) - Submission from Chung Shing Taxi Limited

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LC Paper No. CB(1)144/08-09(06) - Submission from CTOD Association Company Limited)

The Subcommittee deliberated (index of proceedings attached at **Annex**).

Views expressed by the deputations

2. The Subcommittee noted the following views expressed by deputations at the meeting –

(a) Fare adjustments and the new taxi fare structure under the Amendment Regulation

- The Lantau taxi trade generally agreed with the fare adjustments and the new taxi fare structure, which was front-loaded and thereafter on a varying descending scale of incremental charges (the new fare structure). The Lantau Taxi Association stressed that taxi operators in Lantau looked forward to the implementation of the fare adjustments to relieve the pressure of escalating operating costs.
- There were dissenting views from different stakeholders of the urban taxi trade on the implementation of the new fare structure and fare adjustments. The majority of the deputations were in support of the fare adjustments and called on the Subcommittee to support the Amendment Regulation to enable the implementation of the fare adjustments on 30 November 2008.
- The Taxi Driver & Operators Association Ltd expressed strong objection to the fare adjustments and the new fare structure, stating its view that the fare adjustments would largely reduce the income of rentee-drivers, in light of the economic downturn amidst the recent financial tsunami. It requested that the existing fare level for urban taxis be maintained.
- The Hong Kong Taxi Association urged the Subcommittee to give due consideration to the lack of consensus among the urban taxi trade on the new fare

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structure and suggested the implementation of the increase in flagfall charge from \$16 to \$18 initially, pending further discussion among different stakeholders of the trade to reach a consensus on the fare structure.

(b) Impact of the fare adjustments on income of taxi operators

- The Taxi Driver & Operators Association Ltd stated that in light of the recent financial tsunami, the fare adjustments and new fare structure would have adverse impact on the operating environment of the taxi trade, thereby reducing the income of rentee-drivers. Moreover, rentee-drivers would face greater pressure of the rising operating cost as taxi rentals would increase after the fare adjustments.
- Deputations representing the rentor-owners stated that they would monitor changes in the operating revenue of taxi drivers during the initial months (for a period of around three to six months) of implementation of the fare adjustments, before deciding on any adjustments of the taxi rentals. They pointed out that taxi rentals were determined by the forces of demand and supply in the taxi rental market, rather than being dominated by rentor-owners.

(c) Prohibition against fare bargaining

- Most deputations considered that introduction of the new fare structure could help curtail discount gang activities by minimizing the scope for discount offers. While supportive of enacting legislation to prohibit fare bargaining by passengers (the legislative prohibition), they were concerned that enactment of the relevant legislation might delay implementation of the fare adjustments under the Amendment Regulation if the two proposals were taken forward in a bundle. They considered that the proposal for the legislative prohibition should be pursued separately at a later stage.
- Mr CHENG Cho-kwong, Shatin District Councillor, Taxi Dealers & Owners Association Limited, and Hong Kong Taxi Association considered the legislative prohibition necessary for restoring a level playing field

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for taxi operators and requested for the early introduction of the relevant legislation.

II Any other business

3. Members noted that the next meeting of the Subcommittee would be held on Thursday, 6 November 2008, at 8:30 am.
4. There being no other business, the meeting ended at 4:30 pm.

Council Business Division 1
Legislative Council Secretariat
25 February 2009

Annex

**Proceedings of the second meeting of
the Subcommittee on Road Traffic (Public Service Vehicles)
(Amendment) Regulation 2008
on Tuesday, 28 October 2008, at 2:30 pm
in the Chamber of the Legislative Council Building**

| Time marker | Speaker | Subject(s) | Action required |
|--|--|--|-----------------|
| Agenda Item I – Meeting with deputations/the Administration | | | |
| 000000 – 000550 | Chairman Clerk | - Opening remarks | |
| <i>Presentation of views by deputations</i> | | | |
| 000551 – 000935 | Taxi & PLB Concern Group | - Presentation of views (LC Paper No. CB(1)144/08-09(01)) | |
| 000936 – 001047 | Rights of Taxi (Si Hai) Telecommunication Centre Limited | - Presentation of views | |
| 001048 – 001353 | Taxi Dealers & Owners Association Limited | - Presentation of views | |
| 001354 – 001554 | Chung Shing Taxi Limited | - Presentation of views (LC Paper No. CB(1)144/08-09(05)) | |
| 001555 – 001754 | Urban Taxi Drivers Association Joint Committee Co., Ltd. | - Presentation of views (LC Paper No. CB(1)107/08-09(01)) | |
| 001755 – 002042 | CTOD Association Company Limited | - Presentation of views (LC Paper No. CB(1)144/08-09(06)) | |
| 002043 – 002230 | Hong Kong Taxi Association | - Presentation of views (LC Paper No. CB(1)107/08-09(02)) | |
| 002231 – 002342 | Wing Tai Car Owners & Drivers Association Ltd. | - Presentation of views | |
| 002343 – 002511 | Wai Yik HK, Kln & NT Taxi Owners Association Ltd. | - Presentation of views | |
| 002512 – 002620 | Chuen Lee Radio Taxis Association Ltd. | - Presentation of views | |
| 002621 – 002935 | Hong Kong & Kowloon Radio Car Owners Association Ltd. | - Presentation of views | |

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| Time marker | Speaker | Subject(s) | Action required |
|--|--|---|------------------------|
| 002936 – 002957 | Abbo Taxi Owners' Association Limited | - Presentation of views | |
| 002958 – 003239 | Lantau Taxi Association | - Presentation of views (LC Paper No. CB(1)144/08-09(02)) | |
| 003240 – 003547 | Rights of Taxi Owners and Drivers Association Limited | - Presentation of views | |
| 003548 – 003902 | Taxi Drivers & Operators Association Ltd. | - Presentation of views (LC Paper No. CB(1)107/08-09(03)) | |
| 003903 – 004053 | The Hong Kong Taxi & Public Light Bus Association Limited | - Presentation of views (LC Paper No. CB(1)107/08-09(04)) | |
| 004054 – 004247 | Mr CHENG Cho-kwong Shatin District Councillor | - Presentation of views (LC Paper No. CB(1)144/08-09(04)) | |
| 004248 – 004255 | Tai Wo Motors Ltd | - Presentation of views | |
| <i>Administration's response and discussion</i> | | | |
| 004256 – 004657 | Chairman Administration | - Administration's response to the deputations' views | |
| 004658 – 005115 | Chairman Taxi & PLB Concern Group Taxi Drivers & Operators Association Ltd. CTOD Association Company Limited | - Discussion on the impacts of the reduction in fare for long-haul trips, in particular whether this would give rise to taxi drivers' refusal of hire for long-haul trips, or reduction in the income of taxi drivers | |
| 005116 – 005245 | Mr CHENG Cho-kwong Shatin District Councillor Administration | - Discussion on the introduction of legislative prohibition against fare bargaining (the legislative prohibition) | |
| 005246 – 005625 | Chairman Rights of Taxi Owners and Drivers Association Limited Taxi Drivers & Operators Association Ltd. | - Discussion on the impacts of the new taxi fare structure (the new fare structure) on the operating revenue of taxi operators | |
| 005626 – 005904 | Chairman Taxi & PLB Concern Group Urban Taxi Drivers Association Joint | - Discussion on the merits and timing for introduction of the legislative prohibition, notably whether such should be introduced in the context of the Amendment Regulation | |

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| Time marker | Speaker | Subject(s) | Action required |
|--------------------|--|---|-----------------|
| | Committee Co., Ltd. Administration Hong Kong & Kowloon Radio Car Owners Association Ltd. | | |
| 005905 – 010007 | Lantau Taxi Association | - Expression of its view on the new fare structure | |
| 010008 – 010609 | Mr Ronny TONG Rights of Taxi Owners and Drivers Association Limited Chung Shing Taxi Limited | - Discussion on whether the taxi trade would support the introduction of the legislative prohibition in the context of the Amendment Regulation | |
| 010610 – 012618 | Chairman Ms LI Fung-ying CTOD Association Company Limited The Hong Kong Taxi & Public Light Bus Association Limited Chung Shing Taxi Limited Wai Yik HK, Kln & NT Taxi Owners Association Ltd. Mr Ronny TONG Taxi Drivers & Operators Association Ltd. Hong Kong Taxi Association Chuen Lee Radio Taxis Association Ltd. Hong Kong & Kowloon Radio Car Owners Association Ltd. Administration Rights of Taxi Owners and Drivers Association Limited Mr CHENG Cho-kwong Shatin District Councillor | - Discussion on possible adjustment of taxi rentals following the implementation of the fare adjustments and the new fare structure - Discussion on strengthening enforcement against taxi discount gangs by introducing legislative amendment to prohibit fare bargaining by passengers | |
| 012619 – 012655 | Lantau Taxi Association | - Expression of the view that the fare adjustments should be introduced for Lantau taxis first if the dissenting views between different urban taxi operators could not be resolved in a timely manner | |

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| Time marker | Speaker | Subject(s) | Action required |
|--|--|--|-----------------|
| 012656 – 014613 | Chairman Tai Wo Motors Ltd Mr Andrew CHENG Rights of Taxi Owners and Drivers Association Limited Hong Kong Taxi Association Chung Shing Taxi Limited Urban Taxi Drivers Association Joint Committee Co., Ltd. Taxi Drivers & Operators Association Ltd. Wai Yik HK, Kln & NT Taxi Owners Association Ltd. Taxi & PLB Concern Group Taxi Dealers & Owners Association Limited CTOD Association Company Limited | <ul style="list-style-type: none"> - Discussion on the possibility of upward adjustment of taxi rentals as a result of the implementation of the fare adjustments and the new fare structure - Discussion on the possible impacts of the new fare structure, and the propriety of implementing an upward fare adjustment for short-haul trips amidst the present economic downturn - Discussion on the problems facing taxi operation, and the need to work out long-term measures to tackle the problems | |
| 014614 – 014918 | Mr Ronny TONG Taxi Drivers & Operators Association Ltd. | <ul style="list-style-type: none"> - Discussion on the introduction of the legislative prohibition | |
| 014919 – 015754 | Chairman Mr Andrew CHENG Chung Shing Taxi Limited Taxi Drivers & Operators Association Ltd. | <ul style="list-style-type: none"> - Discussion on the need to introduce the new fare structure and the legislative prohibition concurrently to offer a thorough and prudent solution to the problems facing taxi operation - Discussion on the possible adverse impacts of the new fare structure on both taxi operators and the public in the face of the financial tsunami | |
| Agenda Item II – Any other business | | | |
| 015755 – 015857 | Chairman | <ul style="list-style-type: none"> - Arrangements for the next meeting | |

Council Business Division 1

Legislative Council Secretariat

25 February 2009