

立法會
Legislative Council

LC Paper No. CB(1)903/08-09

(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 third meeting on
Thursday, 6 November 2008, at 8:30 am
in Conference Room B of the Legislative Council Building**

- Members present** : Hon Miriam LAU Kin-yee, GBS, JP
Hon Andrew CHENG Kar-foo
Hon LI Fung-ying, BBS, JP
Hon WONG Kwok-hing, MH
Hon CHEUNG Hok-ming, SBS, JP
Hon Ronny TONG Ka-wah, SC
Hon IP Wai-ming, MH
- Member attending** : Hon James TO Kun-sun
- Member absent** : Hon Cyd HO Sau-lan
- Public officers attending** : **Agenda item II**
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

Ms Shirley CHU
Acting Chief Superintendent of Police (Traffic)
Hong Kong Police Force

Mr CHAN Ka-kit
Senior Superintendent of Police
(Traffic Management & Prosecution Bureau)
Hong Kong Police Force

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

Action

I Confirmation of minutes and matters arising

(LC Paper No. CB(1)158/08-09 - Minutes of the meeting held
on 21 October 2008)

The minutes of the meeting held on 21 October 2008 were confirmed.

II Meeting with the Administration

(LC Paper No. CB(1)157/08-09(01) - Administration's paper on
taxi fares
LC Paper No. CB(1)157/08-09(02) - Administration's paper on
the Police's enforcement
actions relating to taxis
LC Paper No. CB(1)157/08-09(03) - Administration's paper on
average monthly operating
cost for urban and Lantau
taxis

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| 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 |
| 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) |

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

3. Members were generally dissatisfied with the Administration's written response to concerns about measures taken to tackle the issue of fare bargaining by taxi drivers and passengers (LC Paper No. CB(1)157/08-09(01)). Members remained gravely concerned about the effectiveness of the new fare structure in curtailing discount gang activities and restoring market order in the long-haul sector. They called on the Administration to discuss with the taxi trade and study the overseas experience regarding the regulation of charging taxi fares according to meters. The Administration was requested to report the findings of the study and the consultation with the taxi trade to the Panel on Transport in six months' time. Individual members also expressed the following views in this regard –

- (a) Ms LI Fung-ying urged the Administration to start preparation for the next steps to deal with the situation of taxi fare bargaining if the new fare structure was found not effective in restoring market order.

Action

- (b) Mr Andrew CHENG stressed that legislative prohibition against fare bargaining should be put in place as soon as possible, and suggested that reference be made to practices and legislation in overseas cities, such as enforcing the legislation through regulating the taxi operators.
- (c) Mr WONG Kwok-hing and Mr IP Wai-ming noted with concern the strong request of the Motor Transport Workers General Union for enacting legislation against fare bargaining by passengers. They urged the Administration to introduce the legislative proposals without delay.
- (d) Mr Ronny TONG requested the Administration to give an undertaking for introduction of the legislative prohibition in six months' time. He might not support the Amendment Regulation if the Administration failed to give such an undertaking at the next meeting of the Subcommittee.
- (e) Mr James TO opined that when members contemplated proposals to penalize passengers for fare bargaining, they should give regard to the controversies surrounding proposals to penalize individuals for engaging in such illegal acts as buying pirated compact discs, downloading music from the Internet, etc. Moreover, given the intrusive nature and difficulties of the enforcement actions as well as the technical issues involved, such a legislative approach might be difficult to implement.

4. In response, the Administration made the following points –

- (a) While the Administration would endeavour to discuss with the taxi trade the feasibility and operational issues involved in the regulation of charging taxi fares according to meters, it could not pre-empt the outcome of the discussion at the present stage, as the taxi trade might have concern about enforcement through regulating the trade instead of the passengers. Notwithstanding, the Administration would report to the Panel on Transport the outcome of the study on overseas experience and discussion with the taxi trade in six months' time.
- (b) As to members' concern about the effectiveness of the new fare structure in reducing the scope for discount offers for long-haul trips, the Administration stressed that the new fare structure had been developed and agreed upon by members of the taxi trade after lengthy and in-depth deliberations,

Action

having regard to a number of factors such as public acceptability of the proposed fares, financial viability of taxi operators and the effect in tackling the discount gang problem.

5. Mr Andrew CHENG was unconvinced of the Administration's arguments. He would consider whether to propose amendments to the Amendment Regulation to put in place further fare reduction for long-haul trips, with an aim to curtail discount gang activities effectively.

Admin. 6. Concluding the discussion, the Chairman requested the Administration to give due consideration to members' views and suggestions in paragraph 3 above, and provide its response before or at the next meeting of the Subcommittee.

III Any other business

7. Members noted that the next meeting of the Subcommittee would be held on Monday, 10 November 2008, at 2:30 pm for the Subcommittee to conduct section-by-section examination of the Amendment Regulation and conclude its deliberations, with a view to reporting its deliberations to the House Committee on 14 November 2008.

8. There being no other business, the meeting ended at 10:25 am.

Council Business Division 1
Legislative Council Secretariat
25 February 2009

**Proceedings of the third meeting of
the Subcommittee on Road Traffic (Public Service Vehicles)
(Amendment) Regulation 2008
on Thursday, 6 November 2008, at 8:30 am
in Conference Room B of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
Agenda Item I – Confirmation of minutes and matters arising			
000000 – 000439	Chairman	- Opening remarks - Confirmation of minutes of meeting	
Agenda Item II – Meeting with the Administration			
000440 – 001355	Chairman Administration	- Briefing by the Administration (LC Papers Nos CB(1)157/08-09(01) to (03))	
001356 – 002249	Chairman Mr WONG Kwok-hing Administration	- Discussion on the need and feasibility of enacting legislation to prohibit fare bargaining by passengers (the legislative prohibition) - Discussion on whether the new fare structure alone could effectively curtail discount gang activities	
002250 – 003907	Chairman Mr Ronny TONG Administration	- Discussion on the need and justifications for introducing the legislative prohibition - Discussion on the effect of the legislative prohibition vis-à-vis the new fare structure in deterring fare bargaining - Discussion on the difficulties encountered by the Police in respect of enforcement operations on taxi discount gangs and whether the legislative prohibition would aggravate the enforcement problem - Discussion on the need to introduce the new fare structure to tackle fare bargaining and improve taxi operators' livelihood	
003908 – 005020	Chairman Mr CHEUNG Hok-ming Administration	- Discussion on whether the proposed new fare structure could sufficiently reduce the scope for discount offers for	

Action

Time marker	Speaker	Subject(s)	Action required
		long-haul trips and whether this could adequately address the concern of the taxi trade about restoring market order	
005021 – 005942	Chairman Ms LI Fung-ying Administration	<ul style="list-style-type: none"> - Discussion on the need to start preparation for the next steps to deal with the situation of taxi fare bargaining, if the new fare structure was found not effective in restoring market order. - Discussion on the deterrent effect of the penalties imposed by the court for cases convicted of conducting discount activities - Discussion on the period required for monitoring changes in the operating environment of the taxi trade after implementation of the new fare structure, before deciding on the need for the legislative prohibition 	
005943 – 013119	Chairman Mr Andrew CHENG Administration Mr IP Wai-ming	<ul style="list-style-type: none"> - Discussion on whether the proposed new fare structure could sufficiently reduce the scope for discount offers for long-haul trips. - Discussion on the need to engage the taxi trade in examining the regulation of charging taxi fares according to meters, by making reference to relevant practices and legislation in major cities overseas 	
013120 – 013228	Chairman Mr Ronny TONG	<ul style="list-style-type: none"> - Mr Ronny TONG's concern about the timetable for introduction of the legislative prohibition 	
013229 – 013723	Chairman Mr James TO	<ul style="list-style-type: none"> - Mr James TO's concern about imposing penalties on passengers for fare bargaining 	
013724 – 014211	Chairman Mr Ronny TONG Administration	<ul style="list-style-type: none"> - Mr Ronny TONG's request for a concrete timetable for introduction of the legislative prohibition. His view that the legislative prohibition might not necessarily impose penalties on passengers for fare bargaining - Discussion on the views of the taxi 	

Action

Time marker	Speaker	Subject(s)	Action required
		trade on regulation of charging taxi fares according to meters to be enforced through regulating taxi operators instead of passengers	
014212 – 014358	Mr WONG kwok-hing	- Expression of the view that sole reliance on market mechanism to tackle fare bargaining through the new fare structure might in effect aggravate the discount gang problem	
014359 – 015040	Chairman Mr Andrew CHENG Administration	<ul style="list-style-type: none"> - Discussion on the suggestion of introducing the legislative prohibition without imposing penalty on passengers - Mr Andrew CHENG's request for an undertaking from the Administration to introduce the legislative prohibition - Discussion on the need to solicit views and address concerns of taxi operators about enforcing payment of fares according to meters through regulating the taxi trade 	
015041 – 015105	Mr Ronny TONG	- Mr Ronny TONG's request for the Administration to give an undertaking for introduction of the legislative prohibition in six months' time	
015106 – 015148	Mr WONG Kwok-hing Administration	- Mr WONG Kwok-hing's strong request for introduction of the legislative prohibition without delay, say, in the context of or in parallel with the Amendment Regulation	
015149 – 015458	Chairman Mr James TO Mr Ronny TONG	<ul style="list-style-type: none"> - Discussion on the propriety and justification of penalizing only one party instead of all parties involved in an illegal act - Discussion on the merits and feasibility of introducing the legislative prohibition 	Administration to take follow-up action as requested in paragraph 6
Agenda Item III – Any other business			
015459 – 015554	Chairman	- Arrangements for the next meeting	