

立法會
Legislative Council

LC Paper No. CB(1)335/11-12
(These minutes have been seen
by the Administration)

Ref : CB1/BC/6/10

**Bills Committee on Motor Vehicles (First Registration Tax)
(Amendment) Bill 2011**

**Minutes of the second meeting held on
Friday, 6 May 2011, at 10:45 am
in Conference Room B of the Legislative Council Building**

Members present : Hon WONG Ting-kwong, BBS, JP (Chairman)
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Dr Hon Philip WONG Yu-hong, GBS
Hon Miriam LAU Kin-ye, GBS, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon Vincent FANG Kang, SBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon KAM Nai-wai, MH
Hon CHAN Kin-por, JP
Dr Hon LEUNG Ka-lau
Hon WONG Sing-chi
Hon IP Kwok-him, GBS, JP
Hon Tanya CHAN
Hon Albert CHAN Wai-yip

Members absent : Hon CHEUNG Hok-ming, GBS, JP
Hon CHAN Hak-kan
Hon Mrs Regina IP LAU Suk-ye, GBS, JP

Public Officers attending : **Agenda item I**
Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Miss Erica NG
Acting Deputy Secretary for Transport and
Housing (Transport)

Mr Kasper NG
Assistant Secretary for Transport and Housing
(Transport)

Mr Anthony LOO, JP
Assistant Commissioner for Transport (Planning)
Transport Department

Ms Cindy LAW
Assistant Commissioner for Transport
(Administration & Licensing)
Transport Department

Clerk in attendance : Ms Joanne MAK
Chief Council Secretary (1)2

Staff in attendance : Ms Clara TAM
Assistant Legal Adviser 9

Ms Anki NG
Council Secretary (SC)1

Ms Emily LIU
Legislative Assistant (1)2

Action

- I Meeting with the Administration**
- (LC Paper No. CB(1)2041/10-11(01) - Administration's response to issues raised at the meeting on 21 April 2011
 - LC Paper No. CB(1)2041/10-11(02) - List of follow-up actions arising from the meeting on 21 April 2011
 - LC Paper No. CB(3)655/10-11 - The Bill
 - No File Reference - The Legislative Council Brief issued by Transport Branch of the Transport and

LC Paper No. CB(1)2041/10-11(03) - Housing Bureau
- Marked-up copy of the provisions of the Motor Vehicles (First Registration Tax) Ordinance (Cap. 330) to be amended by the Bill (prepared by the Legal Service Division))

Other relevant papers

(LC Paper No. CB(1)1897/10-11 - Report of the Subcommittee on Public Revenue Protection (Motor Vehicles First Registration Tax) Order 2011

LC Paper No. CB(1)1683/10-11 - Paper provided by the Administration for the meeting on 24 March 2011

LC Paper No. CB(1)1780/10-11(01) - Administration's response to the list of follow-up actions arising from the meeting on 24 March 2011

LC Paper No. CB(1)1827/10-11(01) - Administration's response to the list of follow-up actions arising from the meeting on 4 April 2011

LC Paper No. CB(1)1991/10-11(01) - Administration's response to the list of follow-up actions arising from the meeting on 11 April 2011)

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

Admin 2. To facilitate members' further deliberation on the Bill, the Administration was requested to provide the following information and response -

(a) of the newly registered private cars for the past few years, the number of cars subsequently de-registered due to re-export to places outside Hong Kong;

(b) details of the 60 routes covered by the annual vehicle journey time surveys conducted by the Transport Department (TD) in

each of the past three years and explanation of the methodology of these surveys;

- (c) the Travel Characteristics Survey of TD such as the methodology of the Survey;
- (d) the rates of first registration tax (FRT) or similar tax on private cars of other major cities such as New York, London, Singapore, Tokyo, Shanghai and Beijing;
- (e) Vehicle Journey Speed of each region in Hong Kong from 1996 to 2010;
- (f) places where park-and-ride facilities had been provided in Hong Kong in the past 10 years and the Administration's plan for further provision of park-and-ride facilities;
- (g) any further information to demonstrate that there was a direct linkage between traffic congestion and the growth of private cars fleet; and
- (h) response to a suggestion to refine the earlier proposal made by members that exemption provided to buyers of newly registered private cars if they had their old cars deregistered could be transferrable to other persons who intended to purchase a newly registered private car.

II Any other business

3. Members noted that the next meeting would be held at 2:30 pm on 12 May 2011 in the Chamber of the Legislative Council Building to receive public views on the Bill.

4. There being no other business, the meeting ended at 12:50 pm.

**Bills Committee on Motor Vehicles (First Registration Tax)
(Amendment) Bill 2011**

**Proceedings of the second meeting
on Friday, 6 May 2011, at 10:45 am
in Conference Room B of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
Agenda item I – Meeting with the Administration			
000148 – 001330	Chairman Administration	Chairman's opening remarks. Briefing on the Administration's paper (LC Paper No. CB(1)2041/10-11(01)).	
001331 – 002427	Chairman Mr WONG Sing-chi Administration	Mr WONG Shing-chi's view on the genuine need of the public to use private cars during peak hours as public transport systems were inefficient. The Administration's response that if no action was taken to contain the growth of private cars, traffic conditions would only continue to worsen and affected public transport users. Apart from the increase in first registration tax (FRT) for private cars, the Administration had taken various measures to contain traffic congestion, including construction of new roads to increase road surface and enhancing the efficiency of public transport systems.	
002428 – 003110	Chairman Mr CHAN Kin-por Administration	Mr CHAN Kin-por's concern on refund of FRT to owners who had imported used private cars but subsequently deregistered their cars within three months due to re-export to other places outside Hong Kong. These vehicles should not be included as newly registered private cars. Request for the Administration to provide information on the number of newly registered private cars that were de-registered after first registration due to re-export to places outside Hong Kong within the past few years. The Administration's response that according to the Motor Vehicles (First Registration Tax) Ordinance (Cap.330), where the registration of a motor vehicle that was brought into and kept in Hong Kong for a period of not exceeding 3 months was cancelled on the ground that the vehicle had been sent permanently out of Hong Kong, on application the FRT paid	Admin to provide information (para. 2 of the minutes)

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		<p>would be refunded after certification by the Commissioner for Transport. The change in number of licensed private cars in 2010, i.e. the net increase in private cars (about 21 000), had excluded the de-registered vehicles.</p>	
003111 – 004205	<p>Chairman Dr LEUNG Ka-lau Administration</p>	<p>Dr LEUNG Ka-lau's concern on whether parameters such as geographical factor and actual traffic situation had been taken into account in conducting the annual vehicle journey time survey.</p> <p>Request for the Administration to provide information on how the annual vehicle journey time survey was conducted and the details of the 60 designated routes in the past few years.</p> <p>The Administration's response that the average car journey speed was measured during the morning peak hours (from 8:00 am to 9:30 am) on a normal weekday from September to December every year. The Transport Department (TD) conducted the survey on a total of 60 routes throughout the territory to find out the regional and overall average vehicle speed by using the "moving car observer" method. Re-runs would be arranged if necessary for situations when the vehicle journey speed recorded was affected by any road works or traffic accident during the survey. The 60 designated routes included in the annual vehicle journey time survey would be regularly reviewed to take into account new routes on new roads while the selection of existing roads had remained unchanged for the past few years.</p>	<p>Admin to provide information (para. 2 of the minutes)</p>
004206 – 005658	<p>Chairman Ms Miriam LAU Administration</p>	<p>Ms Miriam LAU's concerns and views –</p> <p>(a) the vehicle kilometrage (VKM) of private cars in 2009 only showed a slight increase of about 1.1% when compared with the 2000 figure. The figure indicated that the growth in the number of private cars might not be the cause of the drop in vehicle journey speed; and</p> <p>(b) the VKM (in million km) of buses in 2009 had an increase of about 29% when</p>	

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		<p>compared with the 1999 figure. It would not be pragmatic to reach conclusion on the cause of the drop in vehicle journey speed based on statistics alone.</p> <p>The Administration's response that the year end figures of VKM (in million km) for private cars, buses and taxis against the years were presented in several charts for Member's reference. The chart for private cars showed significant fluctuations from year to year and for example, if the VKM of private cars in 1999 instead of the 2000 figure was used to compare with the 2009 figure, the growth in VKM of private cars was 8% instead of 1.1% as stated. The slopes of the regression lines drawn on the charts were used to show the trend of growth of VKM of the vehicles. The figures revealed that the VKM of private cars over the past 10 years had increased more than that of any other vehicle type and the VKM figure of private cars accounted for about 40% of the VKM of all vehicles every year, higher than any other vehicle type. The VKM statistics were used for reference only. Instead, the vehicle journey speed had all along been used as the traffic congestion indicator.</p>	
005659 – 010937	Chairman Mr KAM Nai-wai Administration	<p>Mr KAM Nai-wai's concerns and views –</p> <p>(a) the private car (proportion) figure in the VKM table listed in Annex I of LC Paper No. CB(1)2041/10-11(01) had no significant change from 1999 to 2009 (around 38%), which suggested that owners might not have regularly used their cars during weekdays; and</p> <p>(b) request for the Administration to explain TD's Travel Characteristics Survey result that people with access to private cars had made more trips than others.</p> <p>Request for the Administration to provide information on the rates of the first registration tax on private cars or similar tax of other major cities such as New York, London, Singapore, Tokyo, Shanghai and</p>	Admin to provide information (para. 2 of the minutes)

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		<p>Beijing.</p> <p>The Administration's response that people with access to private cars made about 60-80% more trips than others and 55% of them used their cars at least five days a week. The taxes imposed by other countries or cities on private cars varied in accordance with the policies and measures in respect of the importation, registration and licensing of vehicles with reference to their own situations, which might be different from Hong Kong. Direct comparison between the tax rates of these countries with that of Hong Kong could be inappropriate.</p>	
010938 – 012410	Chairman Ms Audrey EU Administration	<p>Ms Audrey EU's concerns and views –</p> <p>(a) as the private car (proportion) figure in the VKM table listed in Annex I of LC Paper No. CB(1)2041/10-11(01) had remained at around 38% over a period of ten years, the figures indicated that private cars might not have led to traffic congestion; and</p> <p>(b) whether there was any targeted percentage for the VKM of private cars.</p> <p>Request for the Administration to provide a breakdown on the percentage of private car owners having only one car and more than one car respectively.</p> <p>The Administration's response that private cars accounted for 40% of road usage and public transport only had a road usage of 30%. With around 85% among all passenger journeys used road based public transport, private cars were a less efficient mode of land transport. The overall road usage of private cars (in VKM) experienced annual growth between 1996 and 2009 and as private cars constituted a large part of the vehicle fleet and the proportion was increasing, private cars recorded a total growth of 800 million km in overall road usage between 1996 and 2009, which accounted for 80% of the total growth in VKM of the vehicle fleet. There was no targeted percentage for the VKM of private</p>	

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		<p>cars, and the vehicle journey speed (not the VKM of private cars) had all along been used as traffic congestion indicator. On the basis of registration under the same owner's name, in the past 3 years, the percentage of registered private car owners having only one car was about 87% and the percentage of registered private car owners having more than one car was about 13%.</p>	
012411 – 013414	<p>Chairman Mr Albert CHAN Administration</p>	<p>Mr Albert CHAN's concerns and views –</p> <ul style="list-style-type: none"> (a) whether parameters such as road construction works had been taken into account in conducting the annual vehicle journey time survey; (b) whether the Administration had any plan for further provision of park-and-ride facilities to ease traffic congestion; and (c) whether concessions would be granted to private car owners to encourage them to replace old private cars. <p>Request for the Administration to provide information on places where park-and-ride facilities had been provided in Hong Kong in the past 10 years and the Administration's plan for further provision of park-and-ride facilities.</p> <p>The Administration's response that while park-and-ride facilities would continue to be provided where possible, other decisive measures had to be taken before traffic congestion deteriorates to the point which could hardly be relieved.</p>	<p>Admin to provide information (para. 2 of the minutes)</p>
013415 – 013748	<p>Chairman Dr Philip WONG Administration</p>	<p>Dr Philip WONG's concern on what further measures would be taken if the proposed increase in FRT could not achieve the policy intent of containing the growth of private cars fleet.</p> <p>The Administration's response that the proposed increase in FRT was considered to be suitable to control the size of the private car fleet. According to past experience, the annual growth rates of licensed private car</p>	

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		<p>fleet would decrease by 2 to 3%, or even experienced negative growth, in the year following an increase in FRT.</p>	
<p>013749 – 014857</p>	<p>Chairman Dr LEUNG Ka-lau Administration</p>	<p>Dr LEUNG Ka-lau's concerns and views -</p> <p>(a) as the annual vehicle journey speed of certain roads covered in TD's survey fluctuated significantly from year to year, it was not certain whether the survey results could accurately reflect the actual extent of traffic congestion; and</p> <p>(b) the survey results revealed that the average vehicle journey speed of some roads in the New Territories during peak hours was satisfactory.</p> <p>Request for the Administration to provide information on the detailed methodology for the vehicle journey time survey.</p> <p>The Administration's response that the objective for conducting the vehicle journey time survey was to look at the traffic congestion trend in various regions, therefore a total of 60 routes were used to find out the regional and overall average vehicle speed. The methodology of the survey was comparable to international practice.</p>	<p>Admin to provide information (para. 2 of the minutes)</p>
<p>014858 – 015816</p>	<p>Chairman Mr IP Kwok-him Administration</p>	<p>Mr IP Kwok-him's concerns and views –</p> <p>(a) whether the proposed increase in FRT was an effective measure in curbing the growth of private cars; and</p> <p>(b) whether concessions on replacement of old cars by new private cars could be granted to private car owners.</p> <p>The Administration's response that if private car owners were encouraged to scrap their old cars and replace them with new ones, the number of private cars would not be reduced, as those who had originally intended to scrap their vehicles and switched to public transport might then went for a new private car due to the incentive, which was not consistent with the policy intent of containing vehicle growth.</p>	

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015817 – 020555	Chairman Ms Miriam LAU Administration	<p>Ms Miriam LAU's concerns and views –</p> <p>(a) suggested that the proposal made by members earlier of exempting buyers of newly registered private cars from the FRT increase if they had their old cars deregistered could be refined by allowing such exemption transferrable to other persons who intended to purchase a newly registered private car; and</p> <p>(b) requested to provide information on vehicle journey speed of each district in Hong Kong from 1996 to 2010.</p> <p>Request for the Administration to supply information to demonstrate that there was a direct linkage between traffic congestion and the growth of private cars.</p> <p>The Administration's response that private cars recorded a total growth of 800 million km in overall road usage between 1996 and 2009, which accounted for 80% of the total growth in VKM of the vehicle fleet.</p>	Admin to provide information (para. 2 of the minutes)
020556 – 020653	Chairman	Scheduling of further meetings.	