

立法會
Legislative Council

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Paper for the House Committee meeting on 3 June 2011

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

Purpose

This paper reports on the deliberations of the Bills Committee on Motor Vehicles (First Registration Tax) (Amendment) Bill 2011 (the Bills Committee).

Background

2. The 2011-2012 Budget proposes to increase the rate for each tax band for the First Registration Tax (FRT) for private cars by around 15%, in order to control the size of the vehicle fleet and therefore the number of vehicles using the road system. For revenue protection, the proposal was effected as from 11 a.m. on the Budget Day (23 February 2011) under the Public Revenue Protection (Motor Vehicles First Registration Tax) Order 2011 (the Order). All private cars not first registered before then will be subject to the revised tax rates. The Order gives legal effect to the proposed tax increase for a maximum period of four months. The proposed tax increase will cease to have effect as from 23 June 2011 should the Motor Vehicles (First Registration Tax) (Amendment) Bill 2011 (the Bill) not be passed by the Legislative Council (LegCo) by then.

3. A Subcommittee was formed on 11 March 2011 to study the Order. It has held three meetings with the Administration and received views from the relevant trade and members of the public. During the

deliberations, members of the Subcommittee in general were not convinced that the proposed FRT increase would be an effective measure to curb the growth of private cars and ease traffic conditions of Hong Kong. Subcommittee members also considered that the Administration had not provided adequate justifications to support its view that the traffic congestion problem was caused by the growth of private cars. However, the Subcommittee noted that LegCo Members had the power to repeal the Order but did not have power to amend the provisions therein¹. In considering whether the Order should be repealed, the Subcommittee noted that in the event that the Order was repealed by LegCo, FRT would be charged at the old rates as before the commencement of the Order. There was however no immediate refund in respect of the excess taxes collected when the Order was in force. On the other hand, if the Order remained in force, any excess tax collected under the Order would be refunded if the Bill was subsequently passed with tax rates lower than proposed or not passed at all. The Administration advised that the refund mechanism under the Order was fair and the interest of car owners would not be jeopardized. Having regard to the Administration's explanation and the views expressed by the motor vehicle trade associations that repealing the Order would cause severe operational problems and confusion to the trade and vehicle buyers, the Subcommittee did not recommend to repeal the Order.

The Bill

4. The Bill was introduced into LegCo on 13 April 2011. The Bill implements the revenue measure proposed in the 2011-2012 Budget relating to the increase in FRT for private cars as follows -

¹ The Order is an item of subsidiary legislation which is subject to section 34(2) of the Interpretation and General Clauses Ordinance (Cap.1) which provides that Members may amend an item of subsidiary legislation in any manner whatsoever consistent with the power to make such subsidiary legislation. The power of the Chief Executive under section 2 of the Public Revenue Protection Ordinance (Cap.120) is to make an order giving full force and effect of law to all the provisions of the bill. Consistent with this power, Members have the power to repeal the Order but do not have power to amend the provisions therein.

FRT tax bands for private cars	Existing FRT rates	Proposed FRT rates
On the first \$150,000	35%	40%
On the next \$150,000	65%	75%
On the next \$200,000	85%	100%
On the remainder	100%	115%

The Bills Committee

5. At the House Committee meeting on 15 April 2011, Members formed a Bills Committee to scrutinize the Bill. The membership list of the Bills Committee is in **Appendix I**.

6. Under the chairmanship of Hon WONG Ting-kwong, the Bills Committee has held four meetings with the Administration and received views from the public on the Bill at one of the meetings. A list of the deputations which have given views to the Bills Committee is in **Appendix II**.

Deliberations of the Bills Committee

Growth in private cars and traffic congestion

7. According to the LegCo Brief, the existing FRT rates have been in place since 2003. The proposed increase of FRT is to control the growth of the newly registered private cars and to ease traffic congestion in Hong Kong. The Administration has advised that the net increase in licensed private cars (with scrapped private cars excluded) started to show a rising trend in 2004. The annual growth rate of licensed private car rose from 1.7% (about 5 800 private cars) in 2004 to 2.8% (about 9 700 private cars) in 2006, and had maintained at 3% (about 11 000 to 12 000 private cars) until 2009. In 2010, the net increase in private cars

surged to 5.4% (about 21 000 private cars), which was a record high in 14 years. Such a high growth rate continued in the first two months of 2011 and further reached 5.6%. The net increases and growth rates of licensed private cars between 2004 and 2010 are in **Appendix III**.

8. The Administration has also advised that car journey speeds declined throughout the territory in 2010 for the first time in five years, at an unprecedented decline rate of over 5% across-the-board. As no significant expansion in the road network is expected before 2016-2017 when the roads associated with Hong Kong-Zhuhai-Macau Bridge and Central-Wanchai Bypass are due for completion, the Administration expects that traffic conditions would only continue to worsen if no action is taken to contain the growth of private cars. The Administration therefore considers it necessary to take decisive measures to curb the growth of private cars before traffic congestion deteriorates to the point which could hardly be relieved even if more stringent measures are put in place.

9. Some members of the Bills Committee including Hon Miriam LAU, Hon Audrey EU, Hon KAM Nai-wai, Hon CHAN Hak-kan and Hon Albert CHAN have queried that the traffic congestion is not necessarily attributable to the growth in private cars. They have pointed out that many private car motorists only drive on weekends and that the large franchised bus fleet may in fact account more for the congestion problem. Some members consider that the Administration has not provided adequate justifications to support its view that the traffic congestion problem is caused by growth in private cars, and the current FRT increase proposal is therefore unfair to private car owners. According to information published by the Transport Department, while the number of licensed private cars increased from 332 379 in 2000 to 393 812 in 2009, the overall road usage of private cars in vehicle kilometrage (VKM) in 2009 only showed a slight increase of about 1.1% when compared with their VKM figure in 2000, whereas the VKM of public buses and taxis had increased by 11.4% and 15.6% respectively over the same period (as shown in **Appendix IV**). The Bills Committee also notes that notwithstanding the growth in private cars, the VKM figure of private cars steadily accounted for around 38% of the VKM of all vehicles every year from 2000 to 2009.

10. The Administration has maintained its position that the traffic congestion in Hong Kong is closely related to the number of private cars, and has provided further information as follows -

- (i) members' analysis in paragraph 9 above is based on the VKM for two years (i.e. 2000 and 2009) for comparison in drawing the conclusion that the VKM of private cars had not experienced any obvious increase. However, the year-on-year changes in VKM of private cars rose and fell over the years. For example, if the 1999 figure instead of the 2000 figure is taken for comparison with the 2009 figure, the conclusion drawn would be very different, as the growth in VKM of private cars over that period would be 8%, instead of 1.1% as cited;
- (ii) according to the figures in Appendix IV, the VKM of private cars from 1996 to 2009 had in fact increased by some 800 million km (i.e. 4 537 million km minus 3 726 million km), which accounted for 80% of the total growth in VKM of the vehicle fleet; and
- (iii) the road usage rate of private cars during peak hours showed a rising trend in recent years, from 41.7% in 2008 to 44.5% in 2009. About 90% of the major routes in Hong Kong also recorded an increase in the proportion of private cars during morning peak hours in 2009 when compared with 2008.

11. The Administration has pointed out that the proportion of private cars among the vehicle fleet had increased in recent years. Between 2001 and 2010, the total road length of Hong Kong had increased by 8.6%. Over the same period, the sizes of the vehicle fleet and private car fleet had expanded by about 15.7% and 21.8% respectively, while the numbers of franchised buses and goods vehicles had recorded a drop of 9.4% and 2.8% respectively². The proportion of private cars among the

² From 2001 to 2010, total number of vehicles had increased from 525 376 to 607 796; among which the number of private cars had increased from 340 568 to 414 966, whereas

vehicle fleet had increased from 64.7% to 68.3% between 2004 and 2010. The relevant figures are in **Appendix V**.

12. The Administration has further pointed out that as revealed by TD's survey³, people with access to private cars made about 60-80% more trips than others; and 55% of them used their private cars on at least five days a week. The Administration has stressed that rapid growth in private cars will bring adverse impact on the efficiency of public transport and affect other road users.

13. On the decline in vehicle journey speed throughout the territory as recorded by TD, the Bills Committee has examined the vehicle journey speed of major roads in Hong Kong from 2005 to 2010. Some members including Hon KAM Nai-wai and Dr Hon LEUNG Ka-lau have queried that as the annual vehicle journey speed of certain roads covered in TD's survey fluctuates significantly from year to year, it is not certain whether the survey results could accurately reflect the actual extent of traffic congestion. Dr LEUNG considers that the survey results reveal that the average vehicle journey speed of many roads in the New Territories during peak hours is rather satisfactory, while Mr KAM finds that the average vehicle journey speed of some major roads during peak hours has actually risen when comparing the survey result of 2010 with that of 2005.

14. The Administration has advised that vehicle journey speed is widely used over the world to reflect the extent of traffic congestion. TD has also analysed the traffic congestion in Hong Kong all along by making use of vehicle journey speed. TD conducts annual vehicle journey time survey on a total of 60 routes⁴ throughout the territory to find out the regional and overall average vehicle speed of Hong Kong. As shown in **Appendix VI**, the overall vehicle journey speed throughout the territory had declined in 2010 as compared with previous years. To ensure that the survey results accurately reflect the real situation, TD will arrange for additional re-runs if the vehicle journey speed is affected

the number of franchised buses had dropped from 6 320 to 5 729 and goods vehicles from 112 585 to 109 416.

³ The relevant study can be found in the report of TD's Travel Characteristics Study (TCS) 2002. TCS is conducted by TD once a decade.

⁴ Including 28 routes in urban areas and 32 routes in the New Territories.

by any road works or traffic accident at the time of the survey.

Effectiveness of the proposed increase of First Registration Tax in curbing the growth of private cars

15. The Administration has informed the Bills Committee that FRT rates were increased in 1982, 1990, 1991, 1994 and 2003 which led to a reduction of about 2 to 3 percentage points in the year-on-year growth rate of private cars, or a decrease in the total number of private cars. The Administration anticipates that similar result can be achieved by implementing the proposed FRT increase. Some members consider that the effect of the proposed measure is limited and only short-term. In order to tackle the traffic congestion effectively, Bills Committee members in general consider that the Administration should embark on a comprehensive plan to ease traffic congestion. Some members consider that buying back the Western Harbour Crossing and Eastern Harbour Crossing, rationalizing franchised bus routes, introducing a "congestion tax" on drivers driving in busy districts and a road pricing scheme, and implementing park-and-ride, etc. would be more effective in easing traffic congestion.

16. The Administration has advised that apart from the proposal to increase FRT to contain private car growth, the Administration has all along pursued other measures recommended by the White Paper on Transport Policy in 1990 and the Transport Strategy for the Future made in 1999. These measures include integrating transport and land use planning to reduce the public's reliance on road-based transport and actively pursuing the policy of having the public transport system with railway as the backbone. The Administration's responses to various alternative measures suggested by members are set out in its papers⁵ submitted to the Bills Committee. The Administration has pointed out that while it would continue to adopt a multi-pronged approach to improve traffic conditions, and if the above various measures are adopted but if no action is taken to contain the growth of private cars, traffic conditions would only continue to worsen.

⁵ Please see LC Papers Nos. CB(1)1780/10-11(01), CB(1)1991/10-11(01) and CB(1)2172/10-11(01).

17. The Bills Committee has also noted with concern the rapid growth of imported used private cars, as it is recorded that the number of first registrations of such vehicles had almost tripled over the past few years, i.e. increasing from 3 308 in 2007 to 9 412 in 2010. Hon Miriam LAU and Hon KAM Nai-wai have urged the Administration to address concerns about the large increase in imported used private cars and their impact on air quality, as well as whether private car buyers would be prompted by the FRT increase to purchase imported used private cars, thus defeating the purpose of containing vehicle growth and affecting air quality. The Administration has advised that all private cars imported for first registration in Hong Kong have to be declared to the Customs and Excise Department (the Customs) as required by the law, and pay FRT based on the taxable value assessed by the Customs. Besides, all newly registered vehicles in Hong Kong, whether brand new or used, are required to comply with the prevailing vehicle emission standard, which is currently set at Euro IV. The Administration has also explained that in accordance with the Motor Vehicles (First Registration Tax) Ordinance (Cap. 330), only those private cars registered outside Hong Kong in the name of the importers before their importation into Hong Kong are eligible for calculation of depreciation.

Proposal to enhance the tax concession for environment-friendly petrol private cars

18. To meet the policy intent of containing the growth of private cars, many members including Hon Miriam LAU, Hon Audrey EU, Hon Vincent FANG, Hon KAM Nai-wai, Hon CHAN Hak-kan, Hon WONG Sing-chi and Hon IP Kwok-him have suggested that consideration should be given to encouraging scrapping of old private cars by offer of tax incentives, which would achieve dual effect of containing the growth of private cars and phasing out old private cars to improve air quality. These members have put forward a "one-for-one" proposal, i.e. to exempt buyers of newly registered private cars from paying FRT under the new tax rates provided that the buyers have their old cars scrapped. Some members have further proposed increasing the existing FRT concessions for environment-friendly petrol private car⁶ so as to encourage persons

⁶ At present, qualified environment-friendly petrol private cars as approved by the Environment Protection Department (EPD) are entitled to a 30% FRT concession with a cap

who are going to purchase a new car to opt for an environment-friendly petrol private car.

19. After consideration, the Administration has accepted members' proposal to enhance the tax concession for environment-friendly petrol private cars. The Administration has proposed that, under the new FRT rates, the concession rates and cap for newly registered environment-friendly petrol private cars be raised from 30%, subject to a cap of \$50,000 per car, to 45%, subject to a cap of \$75,000 per car respectively. This enhanced concession will not be applicable to environment-friendly petrol private cars on order but not yet first registered before the Order came into effect, because these vehicles would be covered by another proposal of the Administration (as detailed in paragraphs 22 to 26 below).

20. According to the Administration, the purpose of enhancing the FRT concession for environment-friendly petrol private cars is to implement the established policy of encouraging the use of such cars, as well as to provide sufficient incentives to persuade new private car buyers to go for an environment-friendly petrol private car instead of a traditional petrol private car under the new FRT rates, which would help improve the environment. The Administration has explained that the actual effect of this measure is to offer an enhanced conditional concession (i.e. only applicable to the purchase of environment-friendly petrol private cars) to buyers of environment-friendly petrol private cars in order to encourage those who have decided to purchase a new private car or to replace their car with a new one to opt for an environment friendly petrol private car. Under this proposal, it is estimated that the FRT payable by over 90% of environment-friendly petrol private cars buyers will not be higher than that before the new FRT rates took effect. High-end environment-friendly petrol private cars are the minority and they will still be subject to a higher FRT when compared to the situation before the new FRT rates came into effect under the enhanced concession.

of \$50,000. The models approved by EPD will be uploaded on EPD's website. EPD will issue to each of the qualified car models an "Environment-friendly Private Car Certificate" on which the validity period is stated. When an environment-friendly petrol private car is being registered at TD for the first time, the vehicle owner with a relevant and valid Certificate may apply for FRT concession in respect of the private car concerned.

21. The Administration considers that the outcome of this measure is the same as that intended by the “one-for-one” proposal as suggested and may even create a better effect. Those in need of car replacement are provided with a favourable option that is coherent with the principle of environment protection and the Administration’s policy intent of containing private car growth, which also strikes a right balance between promoting the use of environment friendly petrol private cars and containing private car growth. This measure can also avoid the speculation of old cars under the “one-for-one” proposal, and offers a fair treatment to everyone (i.e. anyone willing to purchase an environment-friendly petrol private car is offered the same concession arrangement regardless of whether he or she is already in possession of an old vehicle).

Proposal to exempt the private cars on order before the Public Revenue Protection (Motor Vehicles First Registration Tax) Order 2011 came into effect from paying FRT under the new tax rates

22. Bills Committee members in general consider that to be fair to buyers who had placed orders for private cars which had not yet been registered before the Order took effect, these vehicles should be exempted from the increase in FRT⁷, subject to documentary proof of the specific date of the transaction or payment of deposit.

23. The Administration has advised that there are practical difficulties to grant exemption for pre-ordered vehicles. The main reason is that it will be difficult to verify the specific date when the transaction or the deposit was made, as documentary proof may not be available in all cases for verification purpose. The proposed exemption may hence be vulnerable to abuse. The Administration has also advised that according to the existing law, all vehicles registered for use in Hong Kong have to pay FRT at the time of their first registration in accordance with the prevailing FRT rates. When FRT was adjusted in the past, the new rates would apply to all vehicles first registered after the new rates

⁷ According to information provided by the Motor Traders Association of Hong Kong (HKMTA), purchase orders placed with HKMTA members before 23 February 2011 involved a total of 6 057 private cars which had not yet been registered before that date.

had come into effect. Bills Committee members disagree with the Administration's position and maintain the view that exemption should be granted for vehicles pre-ordered before the Order took effect for the sake of fairness to buyers concerned.

24. At the deputation session of the Bills Committee, representatives of the trade indicated that the trade would issue formal documents at the time when the order for a car was placed to the buyers concerned. The Administration considers that as it usually takes some weeks or months for delivery of new private cars ordered, some of those who had placed an order for a private car before the Order came into effect might only receive the new car ordered after the new FRT rates took effect. As these buyers had no knowledge about on the Administration's proposal to increase FRT at the time when they made the decision to order and purchase a new private car, they did not expect to pay the additional expenditure arising from the new FRT rates.

25. To address the concerns, after careful consideration and taking into account the trade's explanation that formal documents would be available to verify the specific date when a private car transaction or the deposit was made, the Administration has proposed that private cars on order but had not been first registered before the Order came into effect should be exempted from the new rates when paying FRT, provided that the relevant parties are able to produce formal documentation to prove their eligibility for exemption. These buyers concerned shall pay FRT under the original rates before the adjustment was introduced. As the policy intent of raising FRT for private cars is to disincentivise the public from purchasing new private cars after the adjusted rates have been announced, those who had ordered a private car before the Budget Day on 23 February 2011 were not the target group of the new rates being proposed. The Administration considers that exempting these buyers from the new FRT rates will not affect the policy intent of containing private car growth.

26. Under the new proposal, private cars imported for personal use may also apply for the exemption if the relevant car owners have arranged for shipment of the private cars concerned before the Order came into effect, subject to availability of the relevant documentation.

TD will verify the necessary information with the registered distributors, and depending on the circumstances of individual cases, TD may also request the relevant distributor or vehicle owner to make an oath for the purpose of providing the necessary document as a proof of the eligibility for the exemption.

Implementation of the new proposals

27. The Administration has advised that the two new proposals in respect of the Bill can be implemented administratively according to sections 5(5) and 6(3) of Cap.330, which respectively provide that the Chief Executive may remit and refund FRT payable. No legislative amendment or amendment to the Bill is required. Hon Audrey EU has pointed out that clause 1(2) of the Bill provides that, when the Bill is enacted as an Ordinance, the Ordinance is deemed to have come into operation at 11 a.m. on 23 February 2011. She is therefore concerned about the view that the proposed exemption can be implemented administratively without involving any legislative amendments. The legal adviser to the Bills Committee has suggested that to allay members' concern, the Administration may consider adding a transitional provision to the Bill to expressly provide for the proposed exemption. Hon IP Kwok-him and Hon Tanya CHAN have suggested that the Administration may consider adding the transitional provision. Hon Tanya CHAN considers that the proposed transitional provision can help consolidate the legal basis to exempt private cars on order but had not been first registered before the Order came into effect from the new rates as currently proposed by the Administration. The Administration, however, maintains the view that since the mechanism for implementing the proposed exemption is already in place as provided under sections 5(5) and 6(3) of Cap.330, it does not see the need to introduce legislative amendments for the same purpose. Hon Mrs Sophie LEUNG has stated that she has no objection to the Administration's view as it is legally in order as advised by the Administration and the measure in question is one-off in nature. She has also suggested that the Administration may consider providing information on precedents of the Administration's making use of sections 5(5) and 6(3) of Cap.330 to remit or refund FRT for members' reference. The Administration has agreed to provide the information.

Resumption of Second Reading debate

28. The Bills Committee supports the resumption of the Second Reading debate on the Bill at the Council meeting on 15 June 2011.

Committee Stage amendments

29. The Administration and the Bills Committee have not proposed any Committee Stage amendments.

Advice Sought

30. Members are invited to note the deliberations of the Bills Committee.

Council Business Division 1
Legislative Council Secretariat
2 June 2011

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

Membership list

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

(Total : 17 Members)

Clerk	Ms Joanne MAK
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Legal Adviser	Ms Clara TAM
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Date	21 April 2011
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**Bills Committee on Motor Vehicles (First Registration Tax)
(Amendment) Bill 2011**

**List of deputations/individuals which/who have submitted views to
the Bills Committee**

- I. Organizations/individuals which/who have made oral representations to the Bills Committee
 1. Right Hand Drive Motors Association (Hong Kong) Limited
 2. Hong Kong Automobile Association
 3. The Motor Traders Association of Hong Kong
 4. H.K.L.H.D. Motors Association Limited
 5. Federation of Automobile Services Industry Hong Kong
 6. Mr Raymond Man-kit HO, Sai Kung District Council Member
 7. Mr David M. WEBB
 8. Public Omnibus Operators Association
 9. Hong Kong District Tourists and Passengers Omnibus Operators Association
 10. Kowloon District Tourists and Passengers Omnibus Operators Association
 11. Tsuen Wan District Tourists and Passengers Omnibus Operators Association
 12. Tuen Mun District Tourists and Passengers Omnibus Operators Association

II. Organizations/individuals which/who have only provided submissions

13. Mr David LAI, Wan Chai District Council Member
14. A member of the public
15. Professor William H K LAM, Department of Civil and Structural Engineering, Hong Kong Polytechnic University
16. Professor Hong K LO, Department of Civil and Environmental Engineering, Hong Kong University of Science and Technology
17. Professor S C WONG, Department of Civil Engineering, University of Hong Kong
18. New Lantao Bus Co. (1973) Ltd.
19. Mr Tommy WONG

Note

Citybus Limited and New World First Bus Services Limited made a submission to each Legislative Council Member on 11 May 2011 on this Bill.

Net increase in licensed private cars between 2004 and 2010

Year	Statistics on licensed private cars			Statistics on other licensed vehicles		
	No. of licensed private cars	Net increase in licensed private cars	Net growth rate of licensed private cars	No. of other licensed vehicles	Net increase in other licensed vehicles*	Net growth rate of other licensed vehicles*
2004	344 713	5 783	1.7%	188 159	2 836	1.53%
2005	350 753	6 040	1.8%	189 887	1 728	0.92%
2006	360 427	9 674	2.8%	192 553	2 666	1.40%
2007	372 203	11 776	3.3%	192 868	315	0.16%
2008	383 141	10 938	2.9%	191 965	-903	-0.47%
2009	393 812	10 671	2.8%	190 258	-1 707	-0.89%
2010	414 966	21 154	5.4%	192 830	2 572	1.35%

* Negative growth was recorded in 2008 and 2009.

Vehicle Kilometrage (VKM) Figures for Different Vehicle Types
between 1996 and 2009 (in million km)

Year	Private Car (Proportion)		Taxi	Bus	Public light bus	Other vehicles	Total	GDP (\$ million) <i>In 2008 chained dollars</i>
1996	3 726	35%	2 359	516	356	3 821	10 779	1,075,723
1997	4 060	36%	2 382	579	361	3 973	11 355	1,130,116
1998	4 113	38%	2 129	640	346	3 716	10 944	1,062,011
1999	4 190	38%	2 077	666	357	3 750	11 040	1,089,155
2000	4 487	39%	1 843	769	373	4 168	11 639	1,175,758
2001	4 377	38%	1 822	818	365	4 127	11 509	1,181,605
2002	4 429	38%	1 793	853	366	4 136	11 576	1,203,359
2003	4 245	38%	1 719	838	350	4 038	11 190	1,239,532
2004	4 137	37%	1 797	836	356	3 984	11 109	1,344,477
2005	4 087	37%	1 880	846	364	4 016	11 193	1,439,695
2006	4 201	36%	1 991	872	378	4 079	11 521	1,540,758
2007	4 442	37%	2 102	878	387	4 165	11 973	1,639,204
2008	4 453	37%	2 135	876	380	4 124	11 969	1,677,011
2009	4 537	38%	2 130	857	377	3 883	11 785	1,632,275

Proportion of private cars among the vehicle fleet

Year	Total no. of licensed vehicles	Total no. of licensed private cars	Proportion of licensed private cars
2004	532 872	344 713	64.7%
2005	540 640	350 753	64.9%
2006	552 980	360 427	65.2%
2007	565 071	372 203	65.9%
2008	575 106	383 141	66.6%
2009	584 070	393 812	67.4%
2010	607 796	414 966	68.3%

2. Overall vehicle journey speed

Year	Vehicle journey speed (km / hour)		
	Hong Kong Island	Kowloon	The New Territories
2005	20.9	25.6	40.9
2006	22.0	26.0	41.4
2007	19.6	25.0	42.9
2008	21.5	24.7	44.2
2009	21.3	24.9	42.9
2010	19.8	23.7	39.9