

(Translation)

(Letterhead of Chung Shing Taxi Ltd)

To: President and Members of the Legislative Council

29 October 1998

Dear Councillors,

The trial scheme of 30 liquefied petroleum gas (LPG) taxis has been in operation for nearly a year. On the whole, the scheme has proved to be successful in terms of its ability to improve the air quality and the readiness of acceptance by the taxi trade. Our only concern is the operating cost. The Government has set out the target of converting all taxis to LPG taxis by the year 2000. Since the implementation of LPG taxis relies on a number of component facilities, it is still a long way from the adequate provision of such facilities. As there is only one year and several months between now and the year 2000, it remains doubtful whether the Government will be able to construct sufficient maintenance plants and LPG filling stations on time for the full-scale conversion to LPG taxis. Should the provision of component facilities be unable to meet the scheduled timeframe, the taxi trade will be in the risk of losing an amount of over \$ 510 million per year. So I hope Members of the Legislative Council would show your concern to and monitor the implementation of the programme so as to avoid plunging the taxi trade into difficulties in the future.

diesel taxi

daily rental:\$630

LPG taxi

daily rental:\$550

loss of daily rental per LPG taxi:\$80

loss of annual rental per LPG taxi:\$28,800

\$28,000 x 18 000 taxis=\$518,400,000

The unavailability of component facilities will prevent the rental to return to its normal level. A delay in the provision of component facilities for one year will be translated into a loss of revenue of \$518,400,000 for 18 000 taxis.

I will attend the joint meeting on 6 November 1998 and will make an oral presentation as well.

Fleet Manager and Licence Owner

(Cheng Hak-wo)