

Letterhead of Environment and Food Bureau Government Secretariat

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6 June 2001

Clerk to Legislative Council
Finance Committee
Legislative Council Building
Attn.: Ms Pauline Ng
[Fax No. 2869 6794]

Dear Ms Ng,

**One-off Grant to Encourage the Replacement
of Diesel Taxis by LPG Taxis**

At the Finance Committee's meeting held on 16 June 2000, the Administration undertook to review in mid-2001 the deadline for owners of diesel taxis aged 7 years or above to apply for the grant taking into account the progress of replacement of diesel taxis and the LPG filling capacity. We are now undertaking the review and will report to the Finance Committee outcome of the review upon completion.

You may wish to advise Members that since we started disbursement of the grant in August 2000, about 9,000 diesel taxis have been replaced by LPG taxis, of which about 70% were diesel taxis aged 7 years or above.

We were also asked at the same meeting on whether the enactment of laws to ban diesel taxis on the road without compensation might amount to deprivation of private property in contravention of the relevant articles in the Basic Law. Our legal advice suggests that the proposal does not appear to

contravene the Basic Law. We will brief Members on this aspect again if and when we need to introduce the relevant legislative proposal.

Yours sincerely

(Ms Ivy Law)
for Secretary for the Environment and Food

cc: Secretary for the Treasury (Attn: Mr Manfred Wong) 2147 5239