

Research Office Legislative Council Secretariat



ISSH14/18-19

Taxi services in Hong Kong

Figure 1 – Number of taxis and their owners in October 2018 Highlights

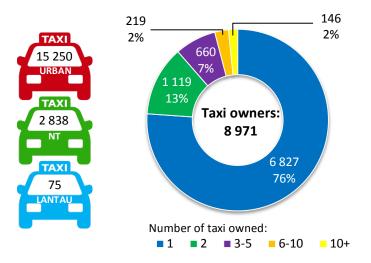


Figure 2 – Daily passenger journeys of taxi and its ratio in public transport patronage, 2007-2017

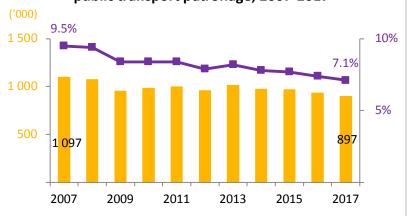
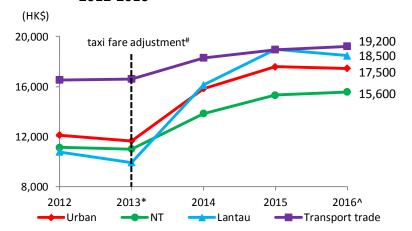


Figure 3 – Average net income of rentee-drivers per month, 2012-2016



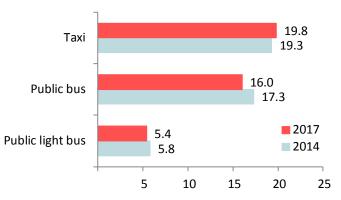
Notes: (#) An increase of HK\$2 in flagfall as from 8 December 2013.

- (*) Data covering the first quarter of 2013.
- (^) Data covering the first half of 2016.

- Taxi is an integral part of public transportation, providing a personalized and point-to-point service to passengers. Currently, there are altogether 18 163 registered taxis in Hong Kong, up by 0.1% over 10 years earlier but slower than the 7% respective growth in local population. As about 76% of the 8 971 taxi owners possessed one taxi only (Figure 1), the Government stated that the scattered ownership pattern resulted in difficulty in "managing the service quality" of taxis.
- As the number of taxis held stable over the past decade, coupled with the diversion effect caused by rapid expansion of railway service as well as the 48% growth in the fleet of private cars, the average daily number of taxi journeys has dropped by a total of 18% in 10 years to 897 000 in 2017. The proportion of taxis in overall public transport patronage has thus shrunk over the same period, from 9.5% to 7.1% (Figure 2).
 - Business operation of the taxi trade has encountered several challenges in recent years. For rentee-drivers (accounting for 80% of taxi drivers), their average monthly net income ranged from HK\$15,600 to HK\$18,500 in 2016, with 40%-71% increase over four years earlier after the taxi fare adjustment in 2013 (Figure 3). However, this income was still lower than the average monthly salary of HK\$19,200 for the overall transport trade (e.g. bus or lorry drivers), resulting in limited inflow of new blood and an aging workforce in the taxi trade. Among some 40 000 taxi drivers in 2016, 80% were aged 50 or above, with an average age of 58. This was up from average age of 56 recorded in 2015.

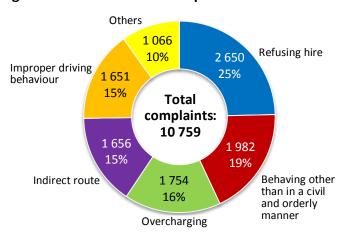
Taxi services in Hong Kong (cont'd)

Figure 4 – Traffic accident rate* of public transport drivers in 2014 and 2017



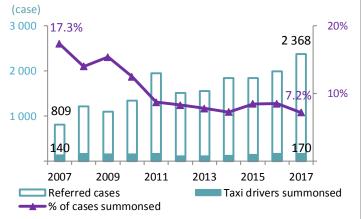
Note: (*) Number of drivers involved in accident per 1 000 licensed drivers of that vehicle class.

Figure 5 - Breakdown of complaints* on taxis in 2017



Note: (*) Suggestions are also included.

Figure 6 – Cases referred to the Police and taxi drivers summonsed, 2007-2017



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Highlights

- High incidence of traffic accidents is one of the key public concerns over taxis. In 2017, there were 19.8 accidents per 1 000 taxi drivers, higher than the respective figures of 16.0 for public bus drivers and 5.4 for public light bus drivers (Figure 4). To a certain extent, this can be attributable to more intensive operation and longer average mileage of taxis, as most taxis run on the road for almost the whole day in two shifts. To improve the safety awareness and driving attitude of taxi drivers, the Government has organized the "Safe Driving and Health Campaign" annually since December 2009.
- The public is concerned about the quality of local taxi service. In 2017, while taxis took up only 7.1% of daily public transport patronage, it accounted for as much as 47.2% of complaints on public transport lodged to the Transport Advisory Committee. Among the 10 759 complaints against taxis last year, "refusing hire" was the most common, taking up a share of 25%, followed by "behaving other than in a civil and orderly manner" (19%) and "overcharging" (16%) (Figure 5).
- However, just around one-fifth of these complaints were referred to the Police for further investigation. Over the past decade, the referred cases have increased by 193% to 2 368 in 2017, but only 170 or 7% of the taxi drivers were summonsed after investigation last year (Figure 6). The low level of summons was largely due to the withdrawal of complainants as court witnesses on the one hand, and the difficulty of adducing sufficient evidence on the other.
- In response to rising demand for better taxi service from the society, the Government has put forward a plan in June 2016 to bring in 600 franchised taxis (about 3% of existing fleet of taxis) with terms on better service quality, drivers' training, vehicle age or so. Also, the Government has proposed in July 2018 to introduce an offence points system to temporarily disqualify taxi drivers with repeated offences. The Government intends to introduce these bills to the Legislative Council in 2019.

Data sources: Latest figures from Transport Department, Transport Advisory Committee and Census and Statistics Department.

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